4-590 (5-31-56)

U. S. Department of Justice

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65- HQ-1168
SERIALS 51-87
SECTION 3

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NATIONAL ARCHIVES

FEDERAL BUREAU

Declassified Case: NW# 65299 Date: 05-15-2024

Screened Date: 05-15-2024 DOCID: 34637333

of

INVESTIGATION

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SERIALS 51-87

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 26 1939

COPY SENT TO WASH. FIELD OFFICE

TELETYPE

DECODED COPY

APPROPRIATE AGENCY AND FIELD

Mr. E...
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

FBI ST LOUIS 9-12 PM CST 9-26-39 CPW

CLASSIFIED BY SP 3 Cal mx
DECLASSIFY ON: 25X 3
4-12-75

DIRECTOR,

SACS NEW YORK CITY, PITTSBURGH AND WASHINGTON FIELD.

WILLIAM RHODES DAVIS, ESPIONAGE. COMPLETE FILE OF ATTORNEYS THOMPSON, MITCHELL, THOMPSON AND YOUNG, OF WHICH FIRM SAMUEL A. MITCHELL IS MEMBER, CONSISTING OF SEVEN VOLUMES CONTAINING INFORMATION RESULTING FROM INVESTIGATION FOR A PERIOD OF MORE THAN A YEAR MADE BY JOHN H. CARUTHERS, YOUNG ATTORNEY EMPLOYED BY ~~WIKKIX~~ THOMPSON, MITCHELL, THOMPSON AND YOUNG INTO ACTIVITIES OF WILLIAM DAVIS, FORWARDED TO BUREAU BY AIR EXPRESS YESTERDAY FOR PURPOSE OF HAVING SAME PHOTOSTATED AND RETURNED TO ST LOUIS OFFICE IMMEDIATELY. SUGGEST THAT OPPORTUNITY BE GIVEN TO REVIEW THIS FILE IN ST LOUIS PRIOR TO INTERVIEW WITH ATTORNEY MITCHELL, IN ORDER THAT COMPLETE INFORMATION MAY BE OBTAINED AS RESULT OF THIS INTERVIEW. SAID FILE HAS NOT YET BEEN REVIEWED BY THIS OFFICE AND MAY CONTAIN MUCH INFORMATION PERTINENT TO INQUIRIES REQUESTED BY PITTSBURGH OFFICE. ~~UNLESX~~ UNLESS ADVISED TO CONTRARY ST LOUIS OFFICE WILL AWAIT RETURN OF ~~FILEXX~~ FILE FROM BUREAU PRIOR TO CONTACT WITH ATTORNEY MITCHELL. ST LOUIS POST-DISPATCH OF OCTOBER FIFTEENTH NINETEEN THIRTY NINE CONTAINING ARTICLE BY [illegible] CHILDS WILL BE FURNISHED BUREAU AND NEW YORK OFFICE.

NORRIS

1 copy destroyed

CONFIDENTIAL

Copy to Mr. Tamm

RECORDED
INDEXED

65-7168-5

FEDERAL BUREAU OF INVESTIGATION
OCT 3 1939
U.S. DEPARTMENT OF JUSTICE

Classified by 2909 DPS/ck
Exempt from GDS Category
Date of Declassification Indefinite

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DECLASSIFIED BY SP2 ON 4-12-75

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FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

CLASSIFIED BY SP2 w/cvr ltr
DECLASSIFY ON: 25X 3
4-28-98

[redacted] SEP 25 1939 (u)

TELETYPE

DECODED COPY (u)

FBI NEW YORK CITY 9-25-39 7:55 PM EDST JGW

DIRECTOR

DECLASSIFIED BY SP1CLR/EH
ON 4-6-00

WILLIAM RHODES DAVIS ESPIONAGE. ANALYSIS DEPOSITS WALTER A. JONES WITH GUARANTY TRUST COMPANY OF NY INDICATE JONES RECEIVED FROM DAVIS AND COMPANY INC. OR W R DAVIS IN NINETEEN THIRTYSIX FUNDS FROM LONDON ENGLAND AGGREGATING SEVENTY FIVE THOUSAND DOLLARS AND ON BANKS IN UNITED STATES AGGREGATING SEVENTY EIGHT THOUSAND DOLLARS, THAT JONES RECEIVED UNIDENTIFIED FUNDS ON LONDON ENGLAND OF TWENTY FOUR THOUSAND DOLLARS. IN NINETEEN THIRTYSEVEN JONES RECEIVED FROM DAVIS AND CO. INC. FUNDS ON BANKS IN UNITED STATES AGGREGATING SIXTY SIX THOUSAND DOLLARS, FUNDS FROM DEMOCRATIC NATIONAL CAMPAIGN COMMITTEE TWENTY SIX THOUSAND DOLLARS. IN NINETEEN THIRTY EIGHT JONES RECEIVED FROM DAVIS AND CO. INC. FUNDS ON BANKS IN UNITED STATES AGGREGATING TWENTY ONE THOUSAND DOLLARS, FUNDS FROM DEMOCRATIC NATIONAL CAMPAIGN COMMITTEE TWENTY FIVE THOUSAND DOLLARS, FUNDS FROM PENNSYLVANIA TURNPIKE COMMISSION SEVEN THOUSAND DOLLARS. IN NINETEEN THIRTYNINE JONES RECEIVED FROM DAVIS AND COMPANY INC. FUNDS ON BANKS IN UNITED STATES AGGREGATING SEVENTEEN THOUSAND DOLLARS, FUNDS FROM PENNSYLVANIA TURNPIKE COMMISSION AGGREGATING EIGHT HUNDRED DOLLARS. ADDITIONAL INFORMATION BEING OBTAINED FROM GUARANTY TRUST COMPANY RE JONES ACCOUNT AND FROM CHASE NATIONAL BANK RE DAVIS ACCOUNT.

65-1168-52

[redacted] SEP 25 1939 (u) (u)

U.S. DEPT. OF JUSTICE FOXWORTH

Copy destroyed-30

RECORDED & INDEXED

END

OK FBI WASH DC GMC

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4-12-78

[redacted]

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FEDERAL BUREAU OF INVESTIGATION,
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

[redacted]

SEP 28 1939 (u)

TELETYPE

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Carter
Mr. Egan
Mr. Gis
Mr. C
Mr. Ha
Mr. Lest
Mr. Hend
Mr. Nic
Mr. Rose
Mr. Sear
Mr. Quinn
Mr. Tracy
Miss Gandy

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

FBI NEW YORK CIFY 9-28-39 6.45 PM JGW (u)

DIRECTOR

WILLIAM RHODES DAVIS ESPIONAGE. INFORMATION RECEIVED INDICATES THAT W C WENZEL CHIEF OF PETROLEUM DIVISION DUN AND BRADSTREET HAS CONSIDERABLE INFORMATION CONCERNING ACTIVITIES SUBJECT AND WALTER A JONES. WENZEL PRESENTLY STAYING HAY ADAMS HOUSE WASHINGTON DC ATTENDING OIL MONOPLY HEARING IN CAPITOL AS OBSERVER. NOT EXPECTED BACK NYC FOR SOMETIME SUGGEST BUREAU CONSIDER ADVISABILITY CONTACTING WENZEL FOR INFORMATION. (u) (u)

FOXWORTH (u)

DECLASSIFIED BY SP1CLK/FEL
ON 4-6-00

END

OK FBI WASH C GMC

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP (S) OF 9-29-39

[redacted]

RECORDED & INDEXED

CLASSIFIED BY [redacted]
DECLASSIFY ON: 25X3
4-28-98

65-1168-53

FEDERAL BUREAU OF INVESTIGATION
SEP 29 1939 (u)
U. S. DEPARTMENT OF JUSTICE

FAMM

Classified by 8909 DPJ/dp
Exempt from GDS Category 2
Date of Declassification Indefinate
4-12-78

FEDERAL BUREAU OF INVESTIGATION

JAG:JGW

U.S. DEPARTMENT OF JUSTICE

DECODED (u)

CONFIDENTIAL

New York, N. Y.
September 27, 1939 (u)

NEW ORLEANS

Transmit the following Teletype message to:

WILLIAM RHODES DAVIS ESPIONAGE. REFERENCE TELETYPE THIS DATE, INTERVIEW R. B. McPHERSON, VICE PRESIDENT FIRST NATIONAL BANK OF SHREVEPORT, SHREVEPORT LOUISIANA TO WHOM GUARANTY TRUST COMPANY OF NEWYORK ADDRESSED COMMUNICATION FEBRUARY TWENTYFOURTH, NINETEEN THIRTYNINE IN RESPONSE TO INQUIRY RE DAVIS AND COMPANY. ASCERTAIN NAME OF CLIENT OR CUSTOMER FOR WHOM BANK MADE INQUIRY AND INTERVIEW MATTER IMPORTANT. (X)(u)

FORWORTH (X)(u)

DECLASSIFIED BY SP1CLKPH
ON 4-12-00

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP (S) OF 2/26/99 DATE

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CLASSIFIED BY: SP1CLKPH
DECLASSIFY ON: 25X 3
4-12-98

CONFIDENTIAL

65-1168-

FEDERAL BUREAU OF INVESTIGATION
SEP 28 1939 (u)
U. S. DEPARTMENT OF JUSTICE

cc: Bureau

Classified by 2905 RPJ/dd
Exempt from GDS Category 2 & 3
Date of Declassification Indefinite
4-12-78

CONFIDENTIAL

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

FEDERAL BUREAU OF INVESTIGATION

JAG:JGW [redacted]

U. S. DEPARTMENT OF JUSTICE New York, N. Y.

DECODE (u) * * * * * September 26, 1939. (u)

NEW ORLEANS

Transmit the following Teletype message to:

WILLIAM RHODES DAVIS ESPIONAGE. IMMEDIATELY CONTACT FIRST NATIONAL BANK SHREVEPORT LOUISIANA, AND ASCERTAIN ALL INFORMATION RE CREDIT AND FINANCIAL DEALINGS WILLIAM RHODES DAVIS AND DAVIS AND COMPANY INC. NYC WITH THIS BANK. FORWARD INFORMATION TO BUREAU AND THIS OFFICE BY TELETYPE AND REPORT. TREAT MATTER STRICTLY CONFIDENTIAL. (u)

FOXWORTH (u)

DECLASSIFIED BY SP1CLK/FEH
ON 4-6-00

cc: Bureau

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY SLIP (S) DATE 9-29-39

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65-1168-

FEDERAL BUREAU OF INVESTIGATION
SEP 28 1939 (u)
U. S. DEPARTMENT OF JUSTICE

TWO

[redacted] CONFIDENTIAL

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Date of Declassification Indefinite
4-12-78

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

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4-28-98 DECLASSIFY ON: 25X 3

NW 63226 DocId:34637333 Page 6

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 25 1939

TELETYPE

DECODED COPY

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

AND FIELD OFFICES

SLIP (S) CE

DATE

FBI NEW YORK CITY 9-25-39 9-40PM JGW

DECLASSIFIED BY [redacted] ON 4-6-00

DIRECTOR AND SAC BOSTON

WILLIAM RHODES DAVIS ESPIONAGE. FOLLOWING DIGEST OF INFORMATION REGARDING SUBJECT CONTAINED IN RINEHART-S TULSA EDITION OF AUGUST SIXTEENTH NINETEEN THIRTYSEVEN. FIRST NATIONAL BANK OF BOSTON HAD A LOT OF BAD FOREIGN SECURITY ON HAND. SUBJECT MADE DEAL WITH THEM AND WENT TO GERMANY TO TRADE FOR BANK ON BARTER BASIS. SUBJECT OBTAINED ABSOLUTE MONOPOLY FOR SALE OF PETROLEUM AND OIL PRODUCTS IN IRISH FREE STATE AND CERTAIN VALUABLE CONNECTIONS IN GERMANY WHERE HE BECAME PERSONALLY ACQUAINTED WITH HITLER. IT IS SAID HE RECEIVED THIRTY MILLION DOLLARS FROM HITLER AND MUSSOLINI TO FINANCE HIS OIL OPERATIONS. IT IS EASY TO SEE HOW HE MIGHT INTEREST HITLER IN AN OIL VENTURE SINCE HIS FINANCIAL OPERATIONS MUST HAVE TAKEN HIM INTO THE DEUTSCHE BANK IN BERLIN. CRUSADERS PETROLEUM, INC., WHICH IS SUBJECTS OKLAHOMA OPERATNG CONCERN, PURCHASED ALL STOCK OF FLEETBORN OIL CORPORATION OF ADA, OKLAHOMA FOR SLIGHTLY IN EXCESS OF FIVE MILLION DOLLARS. [redacted] H. W. WILSON IS PRESIDENT OF THIS NEW FIRM. BACK OF THE FLEETBORN DEAL IS THE FACT THAT THE FIRST NATIONAL BANK OF BOSTON AND THE FIRST NATIONAL BANK OF OKLAHOMA CITY [redacted] MADE A TWO MILLION DOLLAR PRODUCTION LOAN ON THIS DEAL. SUBJECT REPORTED TO HAVE A NEW REFINERY IN GERMANY AND ONE IN ENGLAND. REPORTED TO HAVE OTAINED HIS MONOPOLY ON PETROLEUM SALES IN THE IRISH FREE STATE BY AGREEING TO RETURN HALF OF HIS PROFITS TO THAT STATE. FOLLOWING INFORMATION CONCERNING SUBJECT OBTAINED FROM CHASE NATIONAL BANK, NYC.

RECORDED & INDEXED 65-1168-54

SEP 26 1939

CONFIDENTIAL COPY SENT TO MR. TAMM

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4-12-78

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NW 63226 DocId:34637333 Page 7

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
SEP 25 1939
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[redacted]

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W R DAVIS AND COMPANY OPENED ACCOUNT ON JUNE FOURTH, NINETEEN THIRTYSIX. AVERAGE BALANCE DURING NINETEEN THIRTYNINE FIFTY THREE HUNDRED DOLLARS. PRESENT CREDIT BALANCE AMOUNTS TO THIRTYNINE THOUSAND FIVE HUNDRED NINETY DOLLARS. ADDITIONAL INFORMATION OBTAINED FROM PROUDFOOTS COMMERCIAL AGENCY. IN GERMANY PARENT PETROLEUM INDUSTRIES, LTD. OWNED AND OPERATED LARGE REFINERY, WHILE IN SWEDEN, DENMARK AND FINLAND CRUSADERS PETROLEUM, INC. HAD MAINLY STORAGE PLANTS. RECENTLY DAVIS AND COMPANY WHICH HAD A LARGE INTEREST IN THE PARENT PETROLEUM INDUSTRIES, LTD., WITHDREW FROM THE LATTER AND MADE EXCHANGES OF PROPERTY IN ORDER TO BE ABLE TO DIVEST ITSELF OF ITS INTEREST IN THAT CORPORATION. DAVIS AND COMPANY REPORTED CLOSELY ALLIED WITH LORD INVERFORTH, BRITISH INDUSTRIALIST, AND TOGETHER OWN LARGE ACREAGE IN MEXICAN OIL FIELD POSO RICO. IN THE CAPACITY OF BROKER, DAVIS AND COMPANY HANDLES CONSIDERABLE OIL FOR THE MEXICAN GOVERNMENT IN TWO CONTRACTS, ONE INVOLVING TEN MILLION BARRELS AND THE OTHER SEVENTEEN MILLION BARRELS, WHICH WERE SOLD BY SUBJECT TO GERMANY, ITALY AND SWEDEN. THE OPERATIONS OF ~~CONXXXX~~ DAVIS AND COMPANY HAVE BEEN FINANCED LARGELY THROUGH A BOSTON BANK, WHICH HAS AT TIMES EXTENDED ACCOMMODATIONS RUNNING WELL INT SEVEN FIGURES. FOLLOWING DIGEST OF INFORMATION RECEIVED FROM NY CREDIT EXCHANGE. WERNER C VON CLEMM, ASSOCIATE OF SUBJECT, MARRIED DAUGHTER OF HARRY T S GREEN, VICE PRESIDENT OF THE NATIONAL CITY BANK . VON CLEMM CAME TO USA IN NINETEEN TWENTY TWO, NATURALIZED CITIZEN. DIRECTOR OF DAVIS AND COMPANY, ALSO CONNECTED WITH PIONEER IMPORT CORP. OF NYC

NW 63226 DocId:34637333 Page 8

[redacted]

FEDERAL BUREAU OF INVESTIGATION,
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
SEP 25 1939
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[redacted]

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PAGE THREE

WHICH IMPORTS MERCHANDISE FROM GERMANY SELLING SAME IN USA. VON CLEMM ALSO REPRESENTATIVE HARDY AND COMPANY, INTERNATIONAL BANKERS. FOLLOWING INFORMATION CONCERNING WALTER A JONES OBTAINED FROM THE GUARANTY TRUST COMPANY NYC. JONES REPORTED IN NINETEEN THIRTY TWO TO BE A RECEIVER FOR THE WAYNE COAL COMPANY OF PITTSBURGH, ONE OF THE BENADUM TREES INTERESTS, WAS CHAIRMAN OF THE BOARD OF TRUSTEES OF OHIO WESLEYAN UNIVERSITY, AND IS INTERESTED IN THE U S SHEET AND WINDOW GLASS COMPANY AT MORGANTOWN, WEST VIRGINIA. IN NOVEMBER NINETEEN THIRTY SIX, JONES STATED HE HAD LOANED THE DEMOCRATIC NATIONAL COMMITTEE [redacted]FIFTY THOUSAND DOLLARS ON A DEMAND NOTE. BANK ACCOUNT OF JONES AT GUARANTY TRUST COMPANY BEING REVIEWED.

FOXWORTH

[redacted]

[redacted]

NW 63226 DocId:34637333 Page 9

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 27 1939

FBI NEW YORK CITY 9-27-39 5-15 TELETYPE

DIRECTOR

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WILLIAM RHODES DAVIS ESPIONAGE. . . . . CONTINUED SEARCH RCA COMMUNICATIONS INC REFLECTS FOLLOWING OUTGOING MESSAGES OF POSSIBLE INTEREST

" SEPTEMBER 15, 1939

NLT

SKANDITANK MALMO -SWEDEN-

19S IF WE KEEP PETTER MUST KNOW WHAT LOADINGPORTS ACCEPTABLE AND RATE WARRISK ISURANCE WE MUST PAY STOP WILKENS INFORMS US JOHNSON NOT INTERESTED POLYKARP HAVE CABLED WATSON IF CAN DISPOSE ELSEWHERE STOP ANSWER OUR 28S STOP YOUR 28 LAMBERT BENDALL CABLE REPEATING REQUEST WE TAKE CARGO NORFOLK FOR FULL FREIGHT AND DEMURRAGE SAYING WOULD BE WILLING PAY RASONABLE INDEMNITY WE ANSWERED [redacted] MIGHT AGREE TAKE DELIVERY CARGO NEWORLEANS IF OWNERS AGREE NOMINAL FREIGHTRATE MEXICO GULF ABOUT TWENTY CENTS BARREL STOP NOW YOU HAVE NOMINATED REUTER FOR GASOLINE WHAT SHALL WE DO WITH LUNDBREN STOP IN FUTURE REMEMBER STRACHAN HOUSTON OUR AGENTS STOP REUTER LOADING HOUSTON

DAVCOM."

NEXT TO LAST WORD THIRD FROM LAST LINE "LUNDGREN"

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APPROPRIATE AGENCIES AND FILES ADVISED BY ROUTING SLIP (S) OR DATE 2-28-74

RECORDED & INDEXED

65-1168-55

SEP 28 1939

U. S. DEPARTMENT OF JUSTICE

Classified by 2908 Exempt from GDS Category [illegible] Date of Declassification Indefinate 4-12-78

" SEPT 18 1939

SKANDITANK MALMO -SWEDEN-

OUR CABLES SHOW DEFINITELY YOU DO NOT KNOW WHAT YOU [redacted] E ANSWER QUESTIONS OUR CABLES AND DO NOT TRY [redacted]

Mr. Tolson
Mr. Nathan
Mr. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Heudon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Tracy
Miss Gandy

DECLASSIFIED BY [illegible] ON 4-12-78

NW 63226 DocId:34637333 Page 10

[" SEPTEMBER 18,1939] (u)

JOACHIM HERTSLET

[redacted]

PRINZHANJERYSTR 31

BERLIN-ZEHLENDORF

HAVE YOU DONE ANYTHING REGARDING RESERVATIONS FROM LISBON TO ROME STOP WE UNABLE MAKE ARRANGEMENTS HERE

BARON"

["SEPTEMBER 18,1939] (u)

NLT

BELGOLEA ANTWERP

WE PREPARED LOAD PANUCO BRARENA NOW LYING KEYWEST AT EIGHTYEIGHTCENTS BARREL PROVIDED YOU ACCEPT WITHIN FORTYEIGHT HOURS AND PROVIDED YOU OPEN IRREVOCA BLE LETTERCREDIT NEWYORK BANK PAYABLE AGAINST DOCUMENTS AND PROVIDED WE CAN GET SHIPOWNERS AGREE ANTWERP DISCHARGEPORT STOP WE PREPARED CHARTER YOU FOR IMMEDIATE ACCEPTANCE BRARENA ~~SE XXX~~ SEVENDOLLARS LONGTON WARRISK INSURANCE AND CREWBONUS YOUR ACCOUNT STOP MUST HAVE LETTER CREDIT NEWYORK PAYMENT FREIGHT PLUS WARRISK ETC SHIP LOST NOTLOST AGAINST PRESENTATION DOCU MENTS STOP IF YOU PREFER YOU MAY HAVE OPTION USE YOUR OWN BOAT

DAVCOM"

[" SEPT 19,1939] (u)

SKANDITANK MALMO -SWEDEN-

HANSELL MEET ME GRANDHOTEL ROME BY SEPTEMBER 23

~~$ 88~~"

DAVIS"

[redacted]

[redacted]

[" SEPTEMBER 19,1939] (u)

LC

JOACHIM HERTSLET

PRINCHANJERYSTR 31

BERLIN-ZEHLENDORF

CONTENTS YOUR CABLE DISCUSSED WITH SPIESS WHO IN PERFECT AGREEMENT STOP WEIZEN ACT WILL BE ONLY PROPAGANDA INSTRUMENT REASONS WILL EXPLAIN ON ARRIVAL STOP BE SURE HAVE EVERY POINT COVERING ADJUSTMENT READY IN ORDER AVOID UNNECESSARY CONVERSATIONS THEREBY ELIMINATING DELAY STOP THIS SIDE READY PROVIDING FLEXIBILITY WITH YOU STOP ATTEMPTING GET SPECIAL PERMIXSION CRYSANTHEMUM Z ACCOMPANY ME

BARON"

(u)

[" SEPTEMBER 19,1939] (u)

LAMBERT AND BENDALL

LONDON

PLEASE REPLY URGENTLY OUR CABLE FIFTEENTH

DAVIS AND COMPANY INCORPORATED"

(u)

ADDITIONAL MESSAGES OF APPARENT ROUTINE BUSINESS NATURE ALSO OBTAINED PHOTOSTATS OF ALL BEING FORWARDED SPECIAL DELIVERY

FOXWORTH

END

[redacted]

OK FBI WASHINGTON DC OEC

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 26 1939

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4-28-98

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Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Carson
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

FBI BOSTON 9-26-39 9-18 PM EN

DECLASSIFIED BY SP1CLK/mm ON 4-6-00

DIRECTOR AND SAC NEW YORK

WILLIAM RHODES DAVIS , ESPIONAGE. W. LATIMER GRAY, VICE PRESIDENT FIRST NATIONAL BANK OF BOSTON ADVISED THAT BECAUSE SUBJECT HAS THROUGH HIS NEGOTIATIONS ENABLED THE BANK TO FREE ONE MILLION DOLLARS IN FROZEN MARKS IN GERMANY AND THAT BANK MADE MONEY ON LOANS TO DAVIS AND HOPE TO SO CONTINUE AND DUE TO FACT THAT VOLUMINOUS FILES OF BANK CONTAIN DATA CONCERNING OTHER INDIVIDUALS AND COMPANIES THAT MIGHT NOT BE OF INTEREST TO GOERNMENT IN THIS MATTER, GRAY ADVISES REVELATION OF SUCH MATTERS WOULD CAUSE EMBARRASSMENT. ALSO ADVISES SHELL OIL AND STANDARD OIL CLAIM THAT MEXICAN GOVERNMENT HAVE SOLD THEIR OIL TO DAVIS FROM EXPROPRIATED FIELDS. BANK OFFICIALS BELIEVE INFORMATION IF GIVEN MIGHT FALL INTO HANDS OF OIL INTERESTS UNFRIENDLY TO DAVIS AND ARE RELUCTANT TO FURNISH SAME WITHOUT PROTECTION OF SUBPOENA OR PERMISSION FROM DAVIS PRESENTLY IN ROME. IF DESIRED, BANK WILL CONTACT DAVIS FOR THIS PERMISSION. WITHIN GRAY-S KNOWLEDGE DAVIS HAS SHIPPED NO OIL SINCE DECLARATION OF WAR AND IS NOT BELIEVED TO HAVE VIOLATED STATUTES. BANK WILL COOPERATE FULLY IF PERMISSION OBTAINED TO OPEN FILES.

M.W. PETERSON

END

OK FBI WASH DC GMC

CONFIDENTIAL

RECORDED
INDEXED

65-1168-56

Read by Mr. Coffey

Classified by 2809 DPJ/Jdf
Exempt from GDS Category 3
Date of declassification Indefinate
4-12-78

Copy to Mr. Tamm

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP (S) OF

NW 63226 DocId:34637333 Page 13

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 26 1939

TELETYPE

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Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowley
Mr. Harbo
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

FBI BOSTON 9-26-39 9-18 PM FN

DIRECTOR AND SAC NEW YORK

DECLASSIFIED BY SP1CLK/EH ON 4-6-00

WILLIAM RHODES DAVIS , ESPIONAGE. W LATIMER GRAY, VICE PRESIDENT FIRST NATIONAL BANK OF BOSTON ADVISED THAT BECAUSE SUBJECT HAS THROUGH HIS NEGOTIATIONS ENABLED THE BANK TO FREE ONE MILLION DOLLARS IN FROZEN MARKS IN GERMANY AND THAT BANK MADE MONEY ON LOANS TO DAVIS AND HOPE TO SO CONTINUE AND DUE TO FACT THAT VOLUMINOUS FILES OF BANK CONTAIN DATA CONCERNING OTHER INDIVIDUALS AND COMPANIES THAT MIGHT NOT BE OF INTEREST TO GOERNMENT IN THIS MATTER, GRAY ADVISES REVELATION OF SUCH MATTERS WOULD CAUSE EMBARRASSMENT. ALSO ADVISES SHELL OIL AND STANDARD OIL CLAIM THAT MEXICAN GOVERNMENT HAVE SOLD THEIR OIL TO DAVIS FROM EXPROPRIATED FIELDS. BANK OFFICIALS BELIEVE INFORMATION IF GIVEN MIGHT FALL INTO HANDS OF OIL INTERESTS UNFRIENDLY TO DAVIS AND ARE RELUCTANT TO FURNISH SAME WITHOUT PROTECTION OF SUBPOENA OR PERMISSION FROM DAVIS PRESENTLY IN ROME. IF DESIRED, BANK WILL CONTACT DAVIS FOR THIS PERMISSION. WITHIN GRAY-S KNOWLEDGE DAVIS HAS SHIPPED NO OIL SINCE DECLARATION OF WAR AND IS NOT BELIEVED TO HAVE VIOLATED STATUTES. BANK WILL COOPERATE FULLY IF PERMISSION OBTAINED TO OPEN FILES.

PETERSON

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Date of Declassification Indefinate

END

OK FBI WASH DC GMC

[redacted]

Does not desire that this investigation be continued at this time - EOV 9/27/39

NW 63226 DocId:34637333 Page 14

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

EAT:DM

October 20, 1939

MEMORANDUM FOR THE DIRECTOR

While at the State Department on October 18th, Assistant Secretary of State Berle displayed to me the confidential file of the State Department dealing with the activities of W. R. Davis. Briefly, this file indicates that during the period when W. R. Davis was in Washington recently and while under surveillance by Bureau Agents, Davis attempted to see the President but the President declined to see him and referred him to Mr. Berle. Mr. Berle saw him, having with him at the time of the interview Mr. Jay Pieerepont Moffat.

A memorandum prepared by Mr. Berle and Mr. Moffat as to the conversation between them and Mr. Davis concerning Davis' activities followed closely the substance of letters addressed by Davis under date of October 11 and October 12 to the President outlining the results of Davis' European trip. The conference with Mr. Berle and Mr. Moffat was held on October 12th.

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Davis recounts that upon arriving in Rome he was met by representatives of the secret German police and was conducted by plane to Berlin, where he saw Goering and Hitler. During the course of his journey to Berlin, Davis states that the German officers flew over a large portion of Poland to show Davis that the American newspaper reports of the damage, particularly by bombing, done in Poland was grossly exaggerated. Davis says that he talked to Goering and Hitler and that apparently Goering's plans for a coup in Germany had been abandoned but that Hitler and Goering were most anxious for the President to serve as the mediator in bringing about some peaceful solution to the present European situation. To this point Mr. Berle makes the observation in his memorandum of the interview with Mr. Davis that if Davis' account of what was said to him by Hitler and Goering is as inaccurate and undependable as is Davis' statement of what the President had said to Davis as Davis repeated it to Hitler and Goering, all of Davis' statements are unworthy of belief.

TOLSON
TAMM
TWC

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DATE 4-28-98 BY 4

NW 63226 DocId:34637333 Page 15

Davis indicated that Hitler and Goering were most anxious to have the good will of the United States and that they both considered the Siegfried Line of Germany as unpenetrable and likewise considered the Maginot Line of France as unbreakable. Davis recounted his travels in Europe, carefully withholding any information that Herslet had attempted to return to the United States with him, although the State Department had positive information of this.

The State Department file indicates that the State Department and the President have reached the conclusion that Davis was merely being utilized as a cat's-paw, perhaps entirely willingly, by the Germans in an effort to promote the best interests of the German Government. The State Department file characterizes Davis as a "Baron Munchausen", who was attempting to capitalize to his own advantage on some of his business acquaintances in Germany.

Respectfully,

EDWARD A. TAMM

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FEDERAL BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 26 1939

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FBI PITTSBURGH 9-26-39 7-50 PM EDST (4) LBY

DIRECTOR, SACS NEW YORK, ST. LOUIS, WASHINGTON FIELD

WILLIAM RHODES DAVIS, ESPIONAGE. JOSEPH F. GUFFEY, UNITED STATES SEN-ATOR, PITTSBURGH, AND WALTER A. JONES ASSOCIATED WITH OIL INTERESTS AND PRESENTLY CHAIRMAN PENNSYLVANIA TURNPIKE COMMISSION, RESIDING UNKNOWN ADDRESS WASHINGTON, DC, JOURNEYED TO MEXICO IN MAY NINETEEN THIRTY SEVE[N] ON PLEASURE AND BUSINESS TRIP. SHORTLY THEREAFTER, BRITISH AND AMERIC[AN] OIL PROPERTY EXPROPRIATED BY MEXICAN GOVERNMENT. CONFIDENTIAL INFORMA[NT] PITTSBURGH OFFICE, ADVISES SAMUEL A. MITCHELL, ATTORNEY AT LAW SEVEN NAUGHT FIVE OLIVE STREET, ST. LOUIS, MISSOURI, BEHIND SCENES CHIEF COU-NSEL IN DEFENSE OF MAJOR OIL COMPANIES ANTI-TRUST CASE MADISON WISCON-SIN, ADVISED CONFIDENTIAL INFORMANT THAT GUFFEY, JONES, AND WILLIAM DAVIS MADE MEXICAN TRIP TOGETHER AND IS BELIEVED TO HAVE INFORMATION RELATIVE DETAILS AND PURPOSE OF THIS TRIP. CONFIDENTIAL INFORMANT OBTAINED AND TRANSMITTED INFORMATION TO SAMUEL MITCHELL RELATIVE DAVIS WHICH HE OBT-AINED DISCREETLY FROM JOE C. TREES, PITTSBURGH OIL OPERATOR AND MEMBER OF THE BENEDUM TREES COMPANY WHICH INDICATED DAVIS TO BE VARIOUSLY CON-NECTED WITH PROMOTION AND DRILLING OIL WELLS IN OKLAHOMA WITH BENEDUM TREES INTERESTS PROMOTION WORK WITH THE KRAFT CHEESE COMPANY, ENGAGED IN OIL BUSINESS IN GERMANY, ALLEGEDLY BUILDING REFINERY THERE AND IN IRELAND AND LATER ENDEAVORING TO OBTAIN OIL CONCESSIONS IN MEXICO WHERE PROPERTIES OF OR IN CONNECTION WITH HARRY SINCLAIR AND OTHERS POSSIBLY SHELL OIL COMPANY. CONFIDENTIAL INFORMANT INDICATES WALTER A. JONES

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65-1168-58

FEDERAL BUREAU OF INVESTIGATION

SEP 26 1939 (4)

U.S. DEPARTMENT OF JUSTICE

ROLSON TAMM TWC

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Copy Mr. Tamm

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PAGE TWO

POLITICALLY VERY INFLUENTIAL AND WARM PERSONAL FRIEND OF PRESIDENT ROOSEVELT AND SECRETARY OF STATE CORDELL HULL AND HAS MANY IMPORTANT POLITICAL CONTACTS IN DISTRICT OF COLUMBIA AND PENNSYLVANIA. JONES FORMER OPERATOR UNITED STATES WINDOW GLASS COMPANY, MORGANTOWN, WEST VIRGINIA, NOW DEFUNCT. CLAIMED TO BE "EXECUTION PROOF AND BROKE" ON SEPTEMBER FIRST NINETEEN TWENTY SIX. PRESENTLY VICE PRESIDENT PLYMOUTH OIL COMPANY WITH LISTED HOLDING OF NINE HUNDRED THIRTYSIX PLYMOUTH OIL COMPANY STOCK AND NOW SAID TO BE WEALTHY. IS POLITICAL CONFIDANT OF JOHN L. LEWIS, C I O CHIEF, THOMAS KENNEDY, FORMER LIEUTENANT GOVERNOR OF PENNSYLVANIA, AND OTHER PROMINENT PENNSYLVANIA DEMOCRATIC LEADERS AND LABOR LEADERS. CONFIDENTIAL INFORMANT ADVISES JOSEPH F. GUFFEY, UNITED STATES SENATOR, FORMERLY PRESIDENT ATLANTIC GULF OF WEST INDIES OIL COMPANY NINETEEN NINETEEN TO NINETEEN TWENTY ALLEGEDLY OVERHEARD SENDING TELEGRAM IN TELEGRAPH STATION IN MEXICO TO MEXICAN GOVT ASKING THEM TO EXPROPRIATE THE GULF OIL COMPANY PROPERTY AT TAMPICO, MEXICO, ABOUT NINETEEN TWENTY. UNABLE VERIFY THIS STORY, CONFIDENTIAL INFORMANTS PITTSBURGH OFFICE CONTRA INDICATE INVESTIGATION AT COLONIAL TRUST COMPANY PITTSBURGH WHERE MIKE BENEDUM IS DIRECTOR. MARQUIS W. CHILDS, WASHINGTON CORRESPONDENT FOR ST. LOUIS POST DISPATCH, BROUGHT ONE HUNDRED THOUSAND DOLLAR DAMAGE SUIT IN DISTRICT OF COLUMBIA AGAINST SENATOR GUFFEY CHARGING SLANDER BECAUSE OF AN ARTICLE WRITTEN BY CHILDS,

[redacted]

NW 63226 DocId:34637333 Page 18

PUBLISHED JUNE FIFTEEN, NINETEEN THIRTY NINE ISSUE POST DISPATCH LINKING GUFFEY WITH "FREE LANCE OIL OPERATION" SEEKING TO EFFECT DEALS INVOLVING DISPOSAL OF MEXICAN OIL DRAWN FROM AMERICAN PROPERTY EXPROPRIATION BY MEXICAN GOVERNMENT. SENATORS BRIDGES, REPUBLICAN, NEW HAMPSHIRE, NEELY, REPUBLICAN, WEST VIRGINIA, ON AUGUST FIRST NINETEEN THIRTY NINE INTRODUCED TWO RESOLUTIONS TO FOREIGN RELATIONS COMMITTEE CALLING FOR INVESTIGATION OF SEIZURE OF AMERICAN OWNED OIL LANDS IN MEXICO AND CHARGED SENATOR GUFFEY AND ADMINISTRATION OFFICIALS FOR SUPPORTING THE EXPROPRIATION ETC. ON AUGUST SECOND NINETEEN THIRTY NINE THE SENATE FOREIGN RELATIONS COMMITTEE REPORTED ADVERSELY AND KILLED BOTH RESOLUTIONS UNANIMOUSLY BY COMMITTEE. UNLESS INSTRUCTED TO THE CONTRARY BY THE BUREAU, ST. LOUIS REQUESTED TO INTERVIEW SAMUEL A. MITCHELL FOR COMPLETE DETAILED INFORMATION HIS POSSESSION REGARDING MEXICAN VISIT OF DAVIS, JONES, AND GUFFEY AND PURPOSE THEREOF. WILL DISCREETLY OBTAIN ST. LOUIS POST DISPATCH ISSUED JUNE FIFTEEN NINETEEN THIRTY NINE SUPPLYING BUREAU AND NEW YORK WITH COMPLETE ARTICLE BY MARQUIS W. CHILDS IN INSTANT MATTER. BUREAU AUTHORITY REQUESTED TO HAVE WASHINGTON FIELD OFFICE TO MAKE EFFORT TO DISCREETLY CONTACT MARQUIS W. CHILDS FOR COMPLETE INFORMATION AND SOURCES THEREOF IN HIS POSSESSION RE MEXICAN OIL STORY. EDGAR MORRIS PITTSBURGH CORRESPONDENT FOR GUARANTY TRUST COMPANY, NEW YORK, LOCATE PITTSBURGH UNABLE GIVE ANY INFORMATION OR SOURCES THEREOF IN CONNECTION INSTANT CASE. INDICATES HAD PHONE CONTACT WITH LUTHER CLEVELAND, GUARANTY

[redacted]

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PAGE FOUR

TRUST, NEW YORK, RE THIS MATTER AND STATED CLEVELAND GAVE NEW YORK OFFICE ALL KNOWN INFORMATION. CONFIDENTIAL INFORMANT STATES W C UENZEL MANAGER PETROLEUM DIVISION, DUNN AND BRADSTREET, TWO NINE NAUGHT BROADWAY, NEW YORK CITY HAD REQUESTED INFORMATION JUNE SIXTEEN THIS YEAR RELATIVE WALTER A JONES AND IN THIS CONNECTION ADVISED HE ALREADY HAD INFORMATION RELATIVE WILLIAM RHODES DAVIS. NEW YORK CITY UNLESS BUREAU INSTRUCTS TO CONTRARY, WILL DISCREETLY CONTACT UENZEL FOR ALL INFORMATION IN HIS POSSESSION RELATIVE JONES AND DAVIS.

MCKEE (X)(W)

END

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 21 1939

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4-28-98

FBI NEW YORK CITY 9-21-39 6-42 EDST JGW

DIRECTOR

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Exempt from GDS, category 2
Date of Declassification Indefinate 4-12-78

WILLIAM RHODES DAVIS ESPIONAGE. THE FOLLOWING INFORMATION REGARDING THE PERSONAL HISTORY OF SUBJECT SO FAR DEVELOPED. SUBJECT BORN MONTGOMERY ALABAMA FEBRUARY TENTH EIGHTEEN EIGHTY NINE. GRADUATED FROM STARK UNIVERSITY COLLEGE PREPARATORY SCHOOL MONTGOMERY ALABAMA AGE SIXTEEN. THEN BECAME NEWS AGENT FOR UNION NEWS CO. ON TRAINS OPERATING OUT OF SOUTHERN CITIES. LATER HAD SIMILAR POSITION SALT LAKE CITY. THEREAFTER RAILROAD BRAKEMAN, LOCOMOTIVE FIREMAN, COMEDIAN VAUDEVILLE CIRCUIT PLAYING WESTERN AND SOUTHERN CITIES, ALSO SAID WORKED ON VARIC TRAMP STEAMERS. FROM NINETEEN NAUGHT EIGHT TO NINETEEN TEN LOCOMOTIVE FIREMAN TEXAS PACIFIC RAILWAY, PROMOTED TO ENGINEER SHORTLY BEORE LEAVING POSITION. LATER ENGINEER MOG RAILROAD MUSKOGEE OKLAHOMA SHORT TIME. THEN CHIEF ENGINEER OF CONSTRUCTION SAME ROAD BUILDING ONE HUNDRED MILE TRAK WITHIN. BECAME INTERESTED IN OIL BUSIESS AS PROMOTER AND PROSPECTOR BUT DID NOT RESIGN POSITION WITH MOG RAILROAD UNTIL NINETEEN EIGHTEEN. IN NINETEEN FOURTEEN INTERESTED JOPLIN MISSOURI LEAD AND ZINC MINES. OPERATED GAUTHER MINES, THE SUCCESS MINES AND MOLOCONA MINE. CLAIMS TO HAVE BUILT THE FIRST FIVE HUNDRED TON CONCENTRATON PLANT EVER ERECTED. FURTHER CLAIMS TO SOLD MINING PROPERTIES NAMED IN NINETEEN SIXTEEN OR NINETEEN SEVENTEEN TO THE KENNEFEST ZINC COMPANY WHICH WAS FINANCED BY PYNCHON AND COMPANY NEW YORK CITY RECEIVING SMALL FORTUNE FOR SAME. SHORTLY AFTERWARDS SAID TO HAVE LOST MOST OF PROFITS IN ILL ADVISED INVESTMENTS APPARENTLY BEING VERY SUSCEPTIBLE TO ANY

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DATE

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PAGE TWO

SCHEME WITHOUT INVESTIGATING. JULY NINETEEN SEVENTEEN ENLISTED US ARMY ENGINEER CORPS AS PRIVATE AT WASHINGTON DC. AFTERWARDS REPORTED GOING TO ~~JOPKXXXX~~ JOPLIN MISSOURI WHERE HE ENTERED REGIMENT KNOWN AS ~~TEXXEX~~ TWENTY SEVENTH ENGINEERS COMPOSED OF TRENCH MEN WHO KNEW MINING WORK. AT THE FRONT IN FRANCE ASSIGNED TO TWENTY SEVENTH ENGINEERS ALLIED RAILWAY, MADE SECOND LIEUTENANT AND SAW ACTIVE SERVICE AT THE FRONT. WAS LATER PLACED IN COMMAND OF COMPANIES A B C AND E OF FIRST ENGINEERS, SAW ACTION THIS COMMAND. BELIEVED TO HAVE BEEN BADLY WOUNDED IN LEG AND HAD ALL TEETH RIPPED OUT BY GERMAN BAYONET. IN NINETEEN NINETEEN UPON RETURN TO UNITED STATES SPENT SIX MONTHS FORT SHERIDAN HOSPITAL FORT SHERIDAN ILLINOIS UNDERGOING OPERATION. FOLLOWING WAR SERVICE INTERESTED IN VARIOUS OIL COMPANIES INCLUDING AMERICAN BRANCH CRUSADE OIL COMPANY OWNED BY BRITISH MEXICAN PETROLEUM COMPANY. DEVELOPED OIL PROPERTIES KNOWN AS LARGO PETROLEUM COMPANY IN VENEZUELA PURCHASING HALF INTEREST FOR BRITISH MEXICAN PETROLEUM COMPANY. UNDERSTOOD TO RECEIVE SALARY FIFTY THOUSAND DOLLARS A YEAR AND IN ADDITION ONE AND A HALF MILLIONS FOR HIS EFFORTS IN DEVELOPING SALE OF PROPERTIES. FOLLOWING THESE ACTIVITIES ENGAGED IN NATURAL GAS BUSINESS UNDER NAME INDUSTRIAL GAS COMPANY MARSHALL TEXAS WITH BRANCH AT ELDORADO ARKANSAS. THIS PROPOSITION ALLEGEDLY FAILED BECAUSE INTERVENTION STANDARD OIL CO. RESULTING ~~SUBJECXXX~~ SUBJECT LOSING ALL MONEY. IN NINETEEN TWENTYSIX SUBJECT CLAIMED TO HAVE BORROWED FIVE HUNDRED THOUSAND DOLLARS FROM OLD COLONY (X)(4)

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NW 63226 DocId:34637333 Page 22

PAGE THREE

TRUST COMPANY TO ORGANIZE ARKANSAS NATURAL GAS CORPORATION WHICH WAS SOLD JANUARY FIFTH NINETEEN TWENTY EIGHT AT PROFIT OF ONE AND A HALF MILLION DOLLARS. THEREAFTER BECAME INTERESTED IN PERUVIAN PROPOSITION INVOLVING CONCESSION OF MINERAL OIL PRODUCING LAND AND BUILDING RAILROAD. ON AUGUST NINETEEN THIRTY ONE SUBJECT INTERESTED HIMSELF IN PROMOTING PURE CHEESE COMPANY AND REGISTERED AS SECURITES BROKER BOSTON FOR PURPOSE DIPOSING STOCK THIS COMPANY. THIS PROPOSITION NOT SUCCESSFUL AND COMPANY REPORTED NOT OPERATING PROFITABLY. MOST RECENTLY SAID TO HAVE BEEN INSTRUMENTAL IN ORGANIZING FOREIGN OIL COMPANY WHICH REPRESENTS AN OIL PROMOTION IN VERA CRUZ MEXICO. SUBJECT MARRIED FOR SECOND TIME HAVING BEEN DIVORCED FROM FIRST WIFE SEVEN YEARS AGO. HAS TWO CHILDREN LIVING BOTH YOUNG BOYS. SON W. R. DAVIS JR. BOSTON AVIATOR KILLED IN AIRPLANE ACCIDENT OCTOBER EIGHTEENTH NINETEEN THIRTY THREE. SUBJECT FORMERLY LIVED LONGWOOD TOWERS, EXCLUSIVE APPARTMENT HOTEL BROOKLINE, MASS. JANUARY NINETEEN THIRTY THREE JUDGMENT OF SIX HUNDRED FIFTY SIX DOLLARS AND SIXTY CENTS ENTERED AGAINST SUBJECT FAVOR OF FARBER AND COMPANY FOR DRESS CLOTHES PURCHASED NINTEEN THIRTY TWO. CADILLAC AUTOMOBILE WAS ATTACHED AT TIME.ON ORGANIZATION DAVIS AND CO. INCORPORATED APRIL NINETEEN THIRTYTHREE SUBJECT GAVE UP FIRM NAME DAVIS AND CO. UNDER WHICH HE OPERATED AS BROKER MASSACHUSETTS. AS OF DECEMBER THIRTY FIRST NINETEEN THIRTY SIX SUBJECT COMPANY HAD SEVEN NAUGHT THREE SHARES COMMON STOCK OUTSTANDING UPON WHICH SLIGHTLY OVER SEVEN THOUSAND DOLLARS HAD BEEN PAID. (XXX) [redacted]

PAGE FOUR

HIS FINANCIAL STATEMENT INDICATED POOR CONDITION. INFORMATION TO THE FURTHER EFFECT THAT CRUSADE OIL COMAPNY OWNED FIVE MILLION DOLLAR OIL PROPERTY IN OKLAHOMA. FOREIGN OIL COMPANY IN WHICH SUBJECT INTERESTED ORGANIZED FEBRUARY TWENTY SEVENTH NINETEEN THIRTYTHREE REPUTED TO OWN CONSIDERABLE OIL PROPERTIES MEXICO. MAJORITY ITS ASSETS SAID TO HAVE BEEN TURNED OVER TO PARENT PETROLEUM INDUSTRIES LTD. LONDON UPON ASSUMPTION BY THE LATTER OF FOREIGN OIL LIABILITIES. PARENT COMPANY STATED TO HAVE CAPITAL FOUR MILLION POUNDS STERLING AND OPERATE REFINERIES HAMBURG GERMANY, ALSO POSSESSES VALUABLE PROPERTIES TEXAS, LOUISIANA AND MEXICO. FURTHER REPORTED OWN OIL TANKERS AND EQUIPMENT PRINCIPALS IN PARENT PETROLEUM SAID TO BE SUBJECT, LORD INVERFORTH AND T. C. J. BURGESS. LORD INVERFORTH KNOWN TO BE ONE OF LARGE SHIPPING MEN IN LONDON AND WAS MINISTER MUNITIONS GREAT BRITAIN DURING LATE WORLD WAR NOW APPEARS AS DIRECTOR THIRTYSIX LARGE COMPANIES IN ENGLAND INCLUDING LLOYD,S BANK LIMITED. T.C.J.BURGESS MEMBER BOARD SEVEN LARGE ENGLISH COMPANIES, CHAIRMAN JOINT MANAGING DIRECTOR OF LONDON AND THAMES HAVEN COAL WHARFS LTD., WHICH HAS CAPITAL APPROXIMATING TWENTY MILLION DOLLARS. DAVIS SAID TO HAVE SUBSTANTIAL INTEREST PARENT PETROLEUM. AT THIRTY ROCKEFELLER PLAZA DAVIS IS ASSOCIATED IN BUSINESS WITH AUSTIN B. TAYLOR AND SAMUEL RAYMOND THORNBURY. TAYLOR IS FORTY ONE YEARS OF AGE SON IN LAW SENATOR JESS DAVIS, NATIVE LITTLE ROCK ARKANSAS, PRESIDENT OF TEXAS CRUSADE OIL COMPANY AT HOUSTON. SERVED AS FIRST LIEUTENANT US ARMY DURING WORLD WAR, LAWYER BY PROFESSION,.MEMBER RRKANSAS BAR, PRACTICED ARKANSAS FOR

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PAGE FIVE

SOME YEARS, BECAME ASSOCIATED WITH CRUSADER COMPANY AND FROM NINETEEN THIRTY ONE TO NINETEEN THIRTY FIVE WAS ATTORNEY FOREIGN OIL COMPANY CHICAGO ILL. THORNBURY NATIVE EVANSTON ILL., SINGLE, GRADUATE OF OHIO WESLYAN UNIVERSITY, AGE APPROXIMATELY FORTY. WAS SECRETARY TO LEONARD A. BUSBY FORMER PRESIDENT AND DIRECTOR OF CHICAGO SURFACE LINES, ALSO ASSOCIATED WITH PALMER TRUST EIGHTY EAST JACKSON BOULEVARD CHICAGO, THIS WAS THE POTTER PALMER ESTATE. GENERAL MANAGER FOR TIME OF ORLANDO GROVE COMPANY THIRTY NORTH MICHIGAN AVENUE CHICAGO. IN DECEMBER NINETEEN TWENTY FIVE BECAME SECRETARY AND TREASURER WHOLEWHEAT GRAIN CO. A FIVE MILLION DOLLAR ARIZONA GRAIN COPORATION, ALSO OFFICER COMPANY SAME NAME CHICAGO. HE LATER RESIGNED. BECAME FREE LANCE FINANCE MAN. WAS VICE PRESIDENT AND DIRECTOR OF THE INVESTIGATION AND FINANCE CORPORATION OFFICE AT ONE NAUGHT FIVE WEST ADAMS STREET CHICAGO WHICH INVESTIGATED GOING CONCERNS. WAS ALSO ASSOCIATED WITH LAWRENCE SCUDDER AND COMPANY WAS PRESIDENT OF NATIONAL PUBLIC UTILITY COMPANY A DELAWARE CORPORATION ORGANIZED IN NINETEEN TWENTY EIGHT AND WAS DIRETOR OF RAVENSWOOD NATIONAL BANK. ADDITIONAL INFORMATION WILL BE FURNISHED AS RECEIVED. (XXX)

FOXWORTH (XXX)

INTL AND HOLD PLS

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FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 25 1939

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FBI NEW YORK CITY 9-25-39 2-35 PM

DIRECTOR, SAC BOSTON

DECLASSIFIED BY SP2 RCE/RH
ON 2-16-00

WILLIAM RHODES DAVIS ESPIONAGE. WALLACE PRATT EXECUTIVE COMMITTEE STANDARD OIL COMPANY OF NEW JERSEY FURNISHED FOLLOWING CONFIDENTIAL INFO. SUBJECT ENTERED OIL BUSINESS NINETEEN TWENTY TWO. IN NINETEEN TWENTY FIVE CAME TO NY WITH CRUSADER PETROLEUM AND OIL CO. HAS OPENLY BOASTED HE WAS IN PARTNERSHIP WITH HITLER AND MUSSOLINI. IMMEDIATELY AFTER ACTION OF MEXICAN GOVERNMENT REGARDING FOREIGN OIL HOLDINGS IN MEXICO SUBJECT MADE ARRANGEMENTS WHEREBY HE WAS ABLE TO EXPORT OIL PRINCIPALLY TO GERMANY FROM FORMER HOLDINGS OF STANDARD AND SHELL OIL COMPANIES. IN FOREIGN BUSINESS SUBJECT IS SAID TO BE FINANCED PRINCIPALLY BY FIRST NATIONAL BANK OF BOSTON AND OLD COLONY BANK OF BOSTON FORMER BANK REPORTEDTO HAVE EXTENDED LARGE SUMS OF MONEY ON CREDIT TO SUBJECT. FILES OF DUNN AND BRADSTREET ALONG WITH OTHER INFORMATION REFLECT THAT ONE A B TAYLOR OF TWENTY MORTON STREET NEWTON CENTER MASS. WAS A DIRECTOR OF CRUSADER PETROLEUM INDUSTRIES LTD ONE OF SUBJECTS CONCERNS. UNKNOWN IN BRITISH OIL CIRCLES BUT MAY BE REPRESENTATIVE OF "FIRST NATIONAL BANK OF MASSACHUSETTS". THIS NAME POSSIBLY INCORRECT AND MAY BE FIRST NATIONAL BANK OF BOSTON. ABOVE INFO FOR ASSISTANCE BOSTON FIELD DIVISION.

FOXWORTH

END PLS ACK

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Date of Declassification Indefinate
4-18-78

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Ebeln
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

NW 63226 DocId:34637333 Page 26

Federal Bureau of Investigation

U. S. Department of Justice

Mr. Tolson	
Mr. Nathan	
Mr. E. A. Tamm	✓
Mr. Clegg	
Mr. Ladd	
Mr. Coffey	
Mr. Egan	
Mr. Glavin	
Mr. Crowl	
Mr. Harbo	
Mr. Lester	
Mr. Hendon	
Mr. Nichols	
Mr. Rosen	
Mr. Sears	
Mr. Quinn Tamm	
Mr. Tracy	
Miss Gandy	

AIR MAIL

San Antonio, Texas
October 5, 1939

RHW/ML

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Director,
Federal Bureau of Investigation,
Washington, D. C.

Wm. P. Hunter Memo

Dear Sir:

I am transmitting herewith memoranda prepared by Special Agent R. H. WINTON and Special Agent (A) W. A. GIDDENS regarding the publicity given by the Braniff Airways to the air travel of SAC GUS T. JONES from San Antonio, Texas, to Washington, D. C. on October 4, 1939.

Very truly yours,

Gus T. Jones

Gus T. Jones,
Special Agent in Charge.

cc Oklahoma City-1
with 2 enclosures.

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FEDERAL BUREAU OF INVESTIGATION
OCT 24 1939
U. S. DEPARTMENT OF JUSTICE

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NW 63226 DocId:34637333 Page 27

MEMORANDUM TO SAC GUS T. JONES

San Antonio, Texas
October 5, 1939

Reference is made to long distance telephone call at 3:10 P.M. on October 4, 1939, from Mr. E. A. TAMM of the Bureau to Acting SAC R. H. WINTON, advising that a Washington representative of the San Antonio Evening News, a local newspaper, had contacted the Bureau advising that SAC GUS T. JONES was enroute from San Antonio to Washington, D. C. and wanted to know the reason therefor. Mr. TAMM requested the details by letter as to how this information came into the possession of the correspondent of the newspaper and also instructed that the officials of the Braniff Airways, Inc. be interviewed and the details obtained from them concerning the publicity given this matter and to severely reprimand them for allowing this information to become known to the newspaper reporters.

Details concerning all events leading up to and the obtaining of a reservation for SAC GUS T. JONES over the Braniff Airways, are as follows:

At approximately 10 A.M. on October 4, the writer received a long distance telephone call from Mr. E. A. TAMM of the Bureau instructing the writer to immediately get in touch with SAC JONES in Mexico City and instruct him to proceed to Washington, D.C. as soon as possible. At approximately 10:15 A.M. the writer was able to locate SAC JONES in Mexico City at the U. S. Embassy and talked with him over long distance telephone. During this conversation SAC JONES advised the writer that he had the unused portion of a return trip ticket from Mexico City to San Antonio over the Braniff Airways and SAC JONES instructed the writer to make a reservation for him from San Antonio to Washington, D. C. leaving last night at 8:35 P.M. and to also obtain a round trip ticket to San Antonio. SAC JONES also advised that he would endeavor to obtain a seat on the Braniff plane leaving Mexico City at 1:20 P.M. yesterday which would arrive in San Antonio at 8:25 P.M. on Oct. 4th. SAC JONES also requested that he be contacted again by telephone at 12 noon yesterday and that at that time he would advise whether or not he was successful in obtaining a seat on this plane in order that Mr. TAMM of the Bureau could be notified.

At about 10:30 A.M. on Oct. 4th, the writer telephoned Mr. C. F. LITTLE at the Reservations Office of the Braniff Airways, located in the Gunter Hotel, San Antonio, and requested a reservation for GUS JONES from San Antonio to Washington, D. C. leaving San Antonio October 4th at 8:35 P.M. Mr. LITTLE at this time stated he would endeavor to make this reservation and would advise the writer by telephone prior to 12 noon, stating it would be necessary for him to call Dallas and make a reservation over the American Airways from Dallas to Washington, D.C.

NW 63326 Docld:24637333 Page 28

65-1168-61X

At about 11 A.M. on October 4, a Mr. JOHN LUTER of the San Antonio Light, a local newspaper, telephoned the writer, stating he had learned that SAC JONES had made a reservation over the Braniff Airways to Washington, D. C. and wanted to know if there was a story connected with it. Mr. LUTER was advised that the writer had no comment to make. Immediately upon receiving the telephone call from Mr. LUTER of the San Antonio Light the writer called Mr. GORDON SHOOK of the Braniff Airways and requested Mr. SHOOK to explain how the information regarding the reservation for Mr. JONES was obtained by Mr. LUTER. Mr. SHOOK advised that newspaper reporters have been allowed to come into the Reservations Office of the Braniff Airways to make telephone calls to their newspapers and make inquiry regarding the passenger lists on the airplanes; that of late the reporters had formed a habit of looking over the passenger lists themselves without asking permission, whenever a passenger list is left on top of the desks in the office. Mr. SHOOK advised that Reporters JOHN LUTER and BOB MAVERICK of the San Antonio Evening News looked over the passenger list for the 8:35 P.M. plane for Washington, D.C. and saw Mr. JONES' name thereon. Mr. SHOOK advised that he would immediately call the editors of all papers in San Antonio requesting that no publicity be given to this matter. At this time it was pointed out to Mr. SHOOK that the Bureau had in the past ceased using other carriers because of such publicity and pointed out to Mr. SHOOK that all travel by Bureau employees is of a confidential nature. The conversation with Mr. SHOOK was discontinued at this time in order that he might make the telephone calls to all the editors of the various newspapers in San Antonio to guard against any further publicity.

Upon completion of the call to Mr. SHOOK the writer called Mr. M. M. HARRIS, Editor of the San Antonio Evening News and San Antonio Express and asked that this matter be kept out of the newspaper and kept confidential and Mr. HARRIS advised that this would be done but stated the writer should also call Mr. E. J. SPILL, City Editor of the San Antonio Express and Mr. PAT BURGESS of the San Antonio Evening News. Mr. PAT BURGESS was immediately telephoned and he advised that this matter would be kept confidential and no publicity given to it. It was ascertained that Mr. E. J. SPILL was out at lunch and would not return until 2 P.M. Mr. DWIGHT ALLISON, Editor of the San Antonio Light was contacted by telephone and advised that this matter would be kept confidential and no publicity given it. In this connection, Mr. HARRIS and Mr. ALLISON have fully cooperated with the Bureau in the past and are good friends of the San Antonio office and supporters of the Bureau and have written numerous editorials praising the work of the Bureau.

Upon completion of the above calls the writer again called the Braniff Airways about 11:30 A.M. on October 4th, and talked to Mr. C. F. LITTLE. At this time Mr. LITTLE explained that he had the passenger list of the 8:35 P.M. plane for Washington, D. C. out on his desk working on it and that newspaper reporters came into the office and saw Mr. JONES' name on the list. Mr. LITTLE at this time also advised that Mr. SHOOK had called the editors of all the newspapers and they

NW 63226 DocId:34637333 Page 29

had promised Mr. SHOOK not to give any publicity to this matter. At this time the writer told Mr. LITTLE that all travel of Bureau employees was of a confidential nature and Mr. LITTLE explained that while he was working on the reservations chart for the 8:35 P.M. plane that JACK LUTER, a newspaper reporter for the San Antonio Light, and BOB MAVERICK, a reporter for the San Antonio Evening News, came into his office and looked over his shoulder and saw the name of GUS JONES and the reservation made, and that JACK LUTER wanted to know why Mr. JONES was making the trip; that Mr. SHOOK had called the editors of the newspapers in San Antonio and had received promises that this matter would receive no publicity. Mr. LITTLE promised at this time that no publicity of any nature would ever come from his office in the future regarding travel by any employees of the Bureau. Mr. LITTLE also advised that he had obtained a reservation for Mr. JONES from Dallas to Washington, D. C. but it would be about 2 P.M. before he would know about a seat from San Antonio to Dallas via the Braniff. Mr. LITTLE advised the writer that Mr. SHOOK was presently out of the office.

SAC JONES was contacted by long distance telephone at 12 noon on Oct. 4, and he advised that he had been able to obtain a seat on the plane leaving Mexico City 1:20 P.M. and would be at the Municipal Airport in San Antonio at 8:25 P.M.

At 2 P.M. on October 4th, the writer telephoned Mr. E. J. SPILL, City Editor of the San Antonio Express and Mr. SPILL promised the writer that this matter would receive no publicity and would be kept confidential.

At 2:15 P.M. on October 4th, Mr. LITTLE of the Braniff Airways, called the writer and advised that reservation had been obtained for Mr. JONES from San Antonio to Washington, D. C.

At about 2:20 P.M. the writer called Mr. TAMM of the Bureau and advised him that SAC JONES had left Mexico City at 1:20 P.M. and would be in Washington, D. C. at 7:55 A.M. on October 5th, and that SAC JONES would stop over in San Antonio for a ten minute period, asking if there were any further instructions for SAC JONES. Mr. TAMM at this time stated that SAC JONES would follow out the leads in Washington, D. C. in another matter and suggested that all pertinent serials be taken to the airport for SAC JONES.

At 2:45 P.M. Mr. SHOOK of the Braniff Airways came to the San Antonio office and delivered the ticket and reservation for SAC JONES and Mr. SHOOK was again told that the publicity given to this matter was very embarrassing to the Bureau and that it had been necessary for the Bureau to take action against other carriers for violating the confidential nature of the travel of Bureau employees. Mr. SHOOK apologized for the publicity given this matter and stated they would take extraordinary precautions in the future to see that no publicity is given out regarding any future travel of Bureau employees over their airways. Mr. SHOOK also advised that he was certain that there would be no news-

NW 63226 DocId:34637333 Page 30

paper publicity regarding this matter in San Antonio as all editors and newspaper reporters who had information regarding this had promised him to keep this matter confidential.

At 3:10 P.M. on October 4th, Mr. TAMM of the Bureau called the writer as set out in the beginning of this memorandum and the writer briefly explained over the telephone exactly how the publicity regarding this matter arose.

Upon receiving the telephone call from Mr. TAMM at 3:10 P.M. on October 4th, the writer requested Special Agent (A) W. A. GIDDENS to personally interview Mr. GORDON SHOOK and C. F. LITTLE and to obtain full details as to why the publicity in this matter arose.

At 11:20 P.M. on October 4th, Mr. TAMM telephoned the writer and suggested that SAC JONES proceed to Washington, D. C. from San Antonio via Eastern Air Lines instead of the Braniff. The writer advised Mr. TAMM that SAC JONES had arrived in San Antonio at 8:25 P.M. and had already departed via Braniff Airways for Washington, D. C. at 8:35 P.M.

On October 5th, at 9:15 A.M. Mr. TAMM telephoned the writer requesting that all facts regarding this matter be furnished to SAC H. E. ANDERSEN of the Oklahoma City office and that Mr. ANDERSEN be instructed to give the facts to the proper officials at the home office of the Braniff Airways and that these officials be informed that the Bureau will lodge a formal complaint with the Civil Aeronautics Commission in Washington, D. C. regarding this matter. Further, that the inconvenience and embarrassment caused the Bureau by this publicity should be strongly emphasized to these officials.

At 9:45 A.M. on October 5th, the writer called SAC H. E. ANDERSEN of the Oklahoma City office and gave him the facts in this matter.

At 10 A.M. Mr. GORDON SHOOK of the Braniff Airways was requested to come to the San Antonio office where he was re-interviewed by Special Agent W. A. GIDDENS and the writer. At this time Mr. SHOOK reaffirmed that the information set out above regarding the manner in which the information was obtained by Reporters LUTER and MAVERICK was correct and reiterated that he very deeply regretted that this publicity had arisen. Mr. SHOOK stated that he would do everything possible to make amends for the occurrence and would in the future keep all such matters strictly confidential.

During this interview Mr. SHOOK was advised that the Bureau would take some severe action regarding this matter however it was not thought advisable to advise him as to the specific action that would be taken.

The afternoon editions of the San Antonio Light and Evening

NW 63226 DocId:34637333 Page 31

News for October 4th, and the morning edition of the San Antonio Express for October 5th, were closely read and no item relating to this matter appeared therein.

Ralph H. Winton

Ralph H. Winton,
Special Agent.

San Antonio, Texas,
October 5, 1939.

MEMORANDUM FOR SAC GUS T. JONES

In accordance with instructions of Acting Special Agent in Charge Ralph H. Winton, Agent contacted GORDON C. SHOOK, District Manager, Braniff Airways, and C. F. LITTLE, Traffic Representative, Braniff Airways, Gunter Hotel, San Antonio, Texas, on the afternoon of October 4, 1939, concerning information being furnished to newspaper reporters pertaining to reservations made at that office for you.

Mr. C. F. LITTLE, Traffic Representative of the Braniff Airways, informed Agent that at approximately 10:40 A.M., October 4, 1939, he received a request from Special Agent R. H. Winton over the telephone for reservations to be made for you from San Antonio, Texas, to Washington, D.C. over the Braniff Airways. Mr. LITTLE stated that immediately after receiving the request for reservations he recorded same on the company's regular reservation chart, which chart, he explained, is kept along with several others on his desk during the morning hours. Mr. LITTLE further stated that a few minutes after he had recorded your reservations on the reservation chart, and while he was working on the chart, JACK LUTER, Reporter for the San Antonio Light, came to the Braniff Airways office and looked over his shoulder and read off the reservations. LITTLE stated that upon coming to your name that LUTER asked him if he knew why you were going to Washington to which question LITTLE stated he replied in the negative.

With reference to the Reporter coming to the Braniff Airways office in the lobby of the Gunter Hotel, San Antonio, both SHOOK and LITTLE explained that until recently the Gunter Hotel had been furnishing the newspaper reporters a telephone, which practice the hotel discontinued a short time ago; that after the hotel discontinued that practice the reporters for the San Antonio Light and the San Antonio Evening News have been in the habit of coming into the Braniff Airways office and using one of the telephones to telephone their stories into their respective offices.

Both SHOOK and LITTLE further stated that heretofore they had experienced no difficulty whatever with any of the reporters; that often when the reporters came in to use the telephone the reservation chart would be laying on top of the desk in the office and that the reporters had on previous occasions glanced over the reservation chart, but had not caused any information concerning the same to be printed when requested not to do so.

With further reference to Reporter JACK LUTER of the San Antonio Light noticing your name on the reservation chart, Mr. LITTLE stated that

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NW 63226 DocId:34637333 Page 33

after he informed LUTER that he had no information why reservations had been made for you to Washington, D.C. that LUTER used the Braniff Airways telephone and called the San Antonio Field office in an attempt to obtain such information.

Mr. SHOOK informed Agent that he was in the office for a few minutes after LUTER had called the San Antonio Field Office concerning this matter and that immediately after Special Agent Winton telephoned him concerning the matter he requested LUTER not to publish anything concerning the reservations being made for you. Mr. SHOOK further stated that BOB MAVERICK, Reporter for the San Antonio Evening News usually comes around the Braniff Airways office to use the telephone, but that he did not recall specifically whether or not MAVERICK obtained information from the reservation chart concerning your reservations, but that he, SHOOK, did request MAVERICK, a few minutes after Special Agent Winton called him (SHOOK), not to publish any information concerning your reservations.

Mr. SHOOK further stated that also after Special Agent Winton had called him he, SHOOK, telephoned the various editors of the San Antonio newspapers and requested that no publicity be given to your reservations, and that each editor agreed not to publish anything concerning the matter. Mr. SHOOK stated that he was particular to contact Mr. PAT BURGESS of the San Antonio Evening News and that Mr. BURGESS informed him that he would give no publicity whatever to this matter.

Messrs. SHOOK and LITTLE both expressed their regrets in this matter and stated that you could be assured that such would not happen again.

W. A. Giddens

W. A. Giddens,
Special Agent.

WAG:MTH

NW 63226 DocId:34637333 Page 34

FEDERAL BUREAU OF INVESTIGATION,
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 23 1939 X(4)

TELETYPE

DECODED COPY X(4)

[redacted]

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE OTHERWISE [illegible]

CLASSIFIED BY SP7 glcc/rm
DECLASSIFY ON: 25X 3
4-28-78

APPROPRIATE ACTION TAKEN AND ADVISE [illegible] SLIP (S) BE DATE 9/28/39

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Scars
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

FBI ST LOUIS 6-40 PM 9-23-39 CPW X(4)

DIRECTOR

SAC NEW YORK CITY

WILLIAM RHODES DAVIS, ESPIONAGE, SAMUEL A MITCHELL, OF THOMPSON, MITCHELL, THOMPSON AND YOUNG ATTORNEYS, ST LOUIS, NOW ADVISES THAT THEIR FILE ON SUBJECT WITH CONSENT OF CLIENT, WILL BE OPENED FOR INSPECTION OF BUREAU AGENTS TEN AM SEPTEMBER TWENTY FIFTH NEXT. TELETYPE SUMMARY WILL BE SUBMITTED IMMEDIATELY THEREAFTER. X(4)

NORRIS X(4)

END

DECLASSIFIED BY SP1CLK/ESH
ON 4-6-06

ACK PLS

WASHINGTON DC OK FBI WASH DC JAR

NEW YORK CITY NEW YORK CITY PLS ACK

DISC

This is very important

65-1168-62

FEDERAL BUREAU OF INVESTIGATION
SEP 24 1939 X(4)
U. S. DEPARTMENT OF [illegible]

[redacted]

RECORDED & INDEXED

Classified by 2909 DRV/glf
Exempt from GDS Category 2
Date of Declassification Indefinite
4-12-78

Copy for Tamm

TAMM INTOCA

JFS:DF

October 21, 1939

RECORDED 62-1168-61X

Mr. Robert H. Hinckley
Chairman
Civil Aeronautics Authority
Commerce Department Building
Washington, D. C.

Dear Mr. Hinckley:

Quite recently a Special Agent in Charge of one of the Field Divisions of this Bureau was instructed to proceed immediately to Washington, D. C., by aeroplane for instructions and discussion of a very important and highly confidential investigation.

Mr. C. F. Little, Reservations Office, Braniff Airways, Gunter Hotel, San Antonio, Texas, was requested to furnish a ticket for this travel, and within thirty minutes after the request at San Antonio, Texas, the newspaper representative of a San Antonio paper here in Washington, D. C., inquired as to the nature of the assignment which necessitated air travel to Washington, D. C. It has been ascertained that a newspaper reporter had access to the passenger list of the Braniff Airways, San Antonio, Texas, and recognized the identity of the Special Agent in Charge and his ultimate destination, which prompted the inquiry.

Fortunately, immediate action at San Antonio, Texas, succeeded in securing the cooperation of the Press in that district and no publicity occurred. Had this information appeared in the Press it would have in all probability disclosed the importance of a very confidential investigation which had been conducted in such a manner as to indicate it was a routine investigation.

E B I
RECEIVED-DIRECTOR
OCT 21 1939 PM 3:30

I am bringing this to your personal attention because I believe some definite and emphatic instructions should be issued to all aeroplane carriers concerning the disclosing of the identity of persons traveling on Government business.

Sincerely yours,

John Edgar Hoover
Director

COMMUNICATIONS SECTION
MAILED
OCT 21 1939
P.M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

NW 63226 DocId:34637333 Page 36

[redacted]

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
SEP 22 1939 (4)

TELETYPE

Mr. Tolson
Mr. Nathan
Mr. Egan
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

DECODED COPY (4)

FBI NEW YORK CITY 9-22-39 5-20 PM ERL (4)

DIRECTOR

WILLIAM RHODES DAVIS ESPIONAGE. FOLLOWING INCOMING RADIOGRAMS RECEIVED BY SUBJECT AND ASSOCIATES OVER FACILITIES OF RCA COMMUNICATION, INC.

"DGGRL BERLIN PR 2661 SEPTEMBER ONE, TEN FIFTY SEVEN AM

14/13 1 1629

MEQKIT NEW YORK

453 FRIENDS WANT FRIEND STAY THERE STOP TRANSFERRING

100000 SUBACCOUNT D

NO SIGNATURE

DECLASSIFIED BY SP1CLK/EH ON 4-6-00 (4)

RECORDED & INDEXED

65-1168-63

FEDERAL BUREAU OF INVESTIGATION
SEP 23 1939 (4)
U. S. DEPARTMENT OF JUSTICE

TAMM

[redacted]

Classified by 2909 DPS/dlc
Exempt from GDS Category 2
Date of Declassification Indefinite
4-12-78

CLASSIFIED BY 2909 dlc/rm
DECLASSIFY ON: 25X 3
4-12-98

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY TOLSON SLIP (S) 03 DATED 12/26/79

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY TOLSON SLIP (S) 03 DATED 08/17/79

" AUGUST SIXTEEN, ELEVEN FIFTY ONE PM

DGG BX BERLIN K1050

125 16 23001 1/50

NLT MEQKIT NEWYORK

FOR VARIOUS DETAILS NECESSARY IN ORDER NOT LOSE GREAT DEAL OF TIME PETROLEOS GIVE HUNTS RIGHT USE OWN JUDGEMENT IN APPROVING SMALL DEVIATIONS WHICH IN NO MANNER INFLUENCE STRENGTH OF USE BUT ONLY MEAN THAT DIN NORMS HAVE BEEN EMPLOYED INSTEAD OF AMERICAN STANDARD WE RECOMMEND THAT SUCH AUTORITY BE CABLED TO HUNT LONDON STOP AS EXAMPLE WILL CITE SUPERHEATER DRAWING 11021 WHERE PRESSURE IS LOW AND DEVIATION PROPOSED BY SUPPLIERS CONSISTS IN APPLYING NEAREST DIN NORM SIZES AND QUALITY WHI H FROM PRACTICAL VIEWPOINT FULLY ACCEPTABLE STOP THREADS UNDER ALL CIRCUMSTANCES AMERICAN STANDARD STOP ASK WINKO SUPPORT THIS REQUEST AS THEIR STRINGENT SPECIFICATIONS AND DEMAND FOR A[redacted] XXX DEMAND FOR AMERICAN STANDARDS HAVE PUT US SUPPLIERS AND HUNT IN DIFFICULTIES DUE SERIOUS DELIVERY SITUATION GERMANY

HANSELL "

" AUGUST SIXTEEN, TWELVE THIRTY SEVEN PM

DFAJS K BERLIN 956 15/13

LC MEQKIT NYK

437 SUDAMERO TRANSFERRING ONLY 500000 TODAY 375000 NEEDED FOR PEDERSEN.

NO SIGNATURE"

[redacted]

" AUGUST TEN, ONE PM (u)

"DGGNS BERLIN PR 1439

25/24 10 1747

NLT MEQKIT NEWYORK

432 CASTIRONPIPES STAHLUNION WILLING TO QUOTE BUT SCHALKER VEREIN STILLREFUSES HAVE THEREFORE BADOR CONFIRM BY CA XXX CABLE ACCORDING YOUR LETTER JULY 17TH

NO SIGNATURE "

X(u)

" AUGUST TEN, ELEVEN O SIX AM (u)

DGGNS BOEBLINGEN PR1377

25/24 10 1515

NLT MR COUUV C - O MEQKIT NEWYORK

MEIN BRIEF COM 4. AUGUST DURCH EURIGEN VOM 27 JULI HINSICHTLICH BELASTUGS UND VORFUEHRUNGSFLUGZEUGE UEBERHOLT

KLEMM "

X(u)

" AUGUST TEN, SEVEN FORTY THREE AM (u)

SDEWR SW4210 STOCKHOLM 58 10 1320

[redacted]

NLT MEQKIT NEWYORK

KINDLY FORWARD BILL STOP CABLE NINTH THANKS STOP PROGRESO PROBABLY RIGHT NEVER DELAY OLIGED TOXXX OBLIGED ANYTHING TO DO CONTINUOUSLY

UNDERSTAND HAVE EXPLAINED MY VIEWPOINTS

OLM REPORTING FURTHER AFTER JOHNSON

ST YOU IMMEDIATELY TRY HENEQUIN

X(u)

[redacted]

" AUGUST FIFTEEN, THREE FIFTY PM] (4)

MF DGG BERLIN PRK 12 54/53 15 1940

NLT MEQKIT NEWYORK

SUEDAMERO TRANSFERRING 875000 ASKIMARK FROM SUBACCOUNT D NEXT DAYS AND PAYING PIPSZXXX PIPSAWAKAMA TO DRUCK APIERVERBAND TOMORROW STOP 34B INSURANCE COPY MAILED TODAY 36B FREND EXPECTS LIGHTFUEL AS MUCH AS POSSIBLE IMPORT BOARD IS ASKING FOR 10000 TONS LOWOCTANE IN ADDITION TO 431 DU UTMOST ADVISE 24 MEX WALDHOF AGREE MARK QUOTATION

NO SIGNATURE

X(4)

[" AUGUST TEN, FIVE FORTY SIX PM] (4)

W 841 LONDON 62 10 2310

7
8 NLT MEQKIT NEWYORK

PETROSERVICE WILLING TO PAY THREEHXXX THREETHOUSAND DOLLARS FOR ANTWERP GOODS ALREADY SOLD BUT REFUSE TO MEET BILL FOR 25000 DOLLARS WHEN DUE AND REFUSE EXTENSION STOP THEY DEMAND TH BE PUB IN FUNDS TO XXXX THEY DEMAND TO BE PUT IN FUNDS TO THE EXTENT 22000 DLLARS TO MEET BILL WHEN DUE BUT WILL GIVE NO UNDERTAKING REGARD 50000 DOLLARS UNDER FRENCH AGREEMENT STOP WHAT ARE YOUR INSTRUCTION

PHILOSPHY "

X(4)

[redacted]

"[AUGUST EIGHT, EIGHT FORTY EIHXX EIGHT AM] (u)

SDESQ SW4096 STKM 20 8 1435

NLT MEQKIT NY

RETURNED TODAY STOCKHOLM WHERE NINTH CONFERRING HANSELL REFERRING

MY CABLE IRST KINDLY ANSWER SOMETHING UNTIL TOMORROW

GRAFFMAN"

"[JULY THIRTY ONE, TWELVE FIFTY THREE PM] (u)

K366 LONDON 29 31 1829

LC MEQKIT NEWYORK

ARREST 3000 TONS EX JAGUAR ROTTERDAM LIFTED STOP ARREST 340 TONS

BUNKEROIL STILL IN SHIP ALSO LIFTED STOP ARREST CARGO SUNBEAM

BELONGING KLOECKNER ALSO LIFTED

PHILOSPHY "

"[JULY TWENTY NINE, SEVEN TWENTY FOUR AM] (u)

"DGGKN BERLIN RR2008 24 29 1256

NLT MEQKIT NEWYORK

422 DIESELSHOVELS WESERHUETTE HAVE STILL AGENTS IN MEXICO

STOP QUOTATIONS PENDING WITH DEPARTMENTO HYDRAULICO EVENTUELLY

IDENTICAL STOP ANY RATE NEED AUSLEGERLAENGE

NO SIGNATURE"

PHOTOSTATIC COPIES ABOVE WIRES BEING SENT AIRMAIL SPECIAL DELIVERY

FOXWORTH

[redacted]

MEIN BRIEF COM 4. AUGUST DURCH EURIGEN VOM 27 JULI HINSICHTLICH BELASTUGS UND VORFUEHRUNGSFLUGZEUGE UEBE HOVT

KLEMM

MY LETTER OF AUGUST 4 AND YOURS OF JULY 27 PROBABLY DELAYED AND OVERTAKEN BY PERSUIT AIR TRANSPORT

KLEMM

("N" INSERTED IN THE WORD "BELASTUG" BY TRANSLATOR)

422 DIESELSHOVELS WESERHUETTE HAVE STILL AGENTS IN MEXICO STOP QUOTATIONS PENDING WITH DEPARTMENTO HYDRAULICO EVENTUELLY IDENTICAL STOP ANY RATE NEED AUSLEGERLAENGE

422 DIESILSHOVELS FOR WESERHUETTE (a town) AGENTS STILL HAVE IN MEXICO QUOTATIONS PENDING WITH HYDRAULIC DEPARTMENT PROBABLY IDENTICAL STOP ANY RATE NEEDS EXTENSIVE EXPLANATION.

translated by WGF

[redacted]

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 29 1939

TELETYPE

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowley
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

Classified by 2909 DBS/dtf
Exempt from GDS Category
Date of Declassification Indefinite
4-12-78

DECODED COPY

FBI DALLAS SEPT 29, 1939 4-19 PM CST MH

DIRECTOR

SAC NEW YORK

CLASSIFIED BY 2909 DBS/dtf/TM
DECLASSIFY ON: 25X 3
4-28-98

WILLIAM RHODES DAVIS ESPIONAGE. CONTINENTAL NATIONAL BANK, FT WORTH TEXAS, REQUESTED CREDIT INFORMATION OF DAVIS AND COMPANY, INC, ROCKEFELLER PLAZA, NYC, FOR ITS CUSTOMER THE DANCIGER OIL AND REFINERIES, INC, W. T. WAGGONER BUILDING, FT WORTH TEXAS. JOE DANCIGER, VICE PRESIDENT THAT COMPANY, SAID ABOUT SIXTY DAYS AGO THEIR COMPANY WAS CONSIDERING AN ASSUMPTION OF INTEREST IN PROSPECTIVE OIL PROPERTIES IN LAFOURCHE PARISH, LOUISIANA, EXPECTING TO DRILL FOR OIL, AND SOUGHT THROUGH PAUL FLY, GEOLOGIST DAVIS AND COMPANY, TWENTY FOURTH FLOOR ESPERSON BUILDING, HOUSTON, TEXAS, TO INTEREST HIS COMPANY IN THE PROPERTIES AND TO PAY THE DANCIGER COMPANY FOR THE DRILLING, DAVIS AND COMPANY TO HAVE PAID ITS MONEY FROM THE OIL PRODUCED. HENCE, THE DANCIGER COMPANY SOUGHT INFORMATION AS TO THE FINANCIAL ABILITY OF THE DAVIS COMPANY TO GO THROUGH WITH SUCH A DEAL. ANY DEAL FLY MADE REQUIRED PERSONAL APPROVAL OF WILLIAM RHODES DAVIS. THE DANCIGER COMPANY FIRST KNEW OF WILLIAM R. DAVIS THROUGH HIS INTERESTS IN THE LOUISIANA CRUSADER OIL INCORPORATED, HOUSTON, TEXAS, WHICH INTEREST HE IS SUPPOSED TO HAVE DISPOSED OF, DATE UNKNOWN. THE DANCIGER COMPANY

RECORDED & INDEXED
65-1168-644
FEDERAL BUREAU OF INVESTIGATION
SEP 30 1939
DEPARTMENT OF JUSTICE

DECLASSIFIED BY SP2 alc/TM ON 4-16-98

1 copy destroyed - 30

[redacted] [redacted]

PAGE TWO

DID OIL DRILLING WITH LOUISIANA CRUSADER OIL IN MISSISSIPPI IN NINETEEN THIRTY SEVEN. IT PURCHASED AN INTEREST IN NINETEEN THIRTY EIGHT IN ACREAGED OWNED BY THE LOUISIANA CRUSADER OIL IN EAST BATON ROUGE PARISH, LOUISIANA, DANCIGER COMPANYS DEALINGS WITH THE LOUISIANA CRUSADER OIL HAVING BEEN WITH PAUL FLY, BEFORE MENTIONED, WHO LATER BECAME EMPLOYED BY DAVIS AND COMPANY. IT WAS ASCERTAINED THE DANCIGER OIL AND REFINERIES, INC, PARTICULARLY JOE DANCIGER, THE COMPANY OFFICIAL INTERVIEWED, IS ENTIRELY RELIABLE. ALL PARTIES INTERVIEWED WERE REQUESTED TO TREAT INQUIRIES CONFIDENTIAL. THE PURPOSE OF THESE INQUIRIES WAS NOT DISCLOSED. REPORT FOLLOWS. (X)(4)

CONROY (X)(4)

END

ACK

WASHINGTON OK FBI WASH DC GMC

NEW YORK OK FBI NEW YORK CITY ERL

DISC

[redacted] [redacted]

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 22 1939

TELETYPE

CONFIDENTIAL

Classified by 2909 DPS/dlk
Declassification Category
Date of Declassification Indefinate 4-12-78

DECODED COPY

FBI NEW YORK CITY 9-22-39 10-30 PM EDST JGW

DIRECTOR

CLASSIFIED BY SP2 G/cic/DM
4-2898 DECLASSIFY ON: 25X 3

WILLIAM RHODES DAVIS, ESPIONAGE. CONFIDENTIAL SOURCE ADVISED TODAY THAT WALTER A. JONES VICE PRESIDENT PLYMOUTH OIL COMPANY PITTSBURGH PENNSYLVANIA AND DAVID LAWRENCE PITTSBURGH ARE ALLEGED TO BE STOOGES OF UNITED STATES SENATOR JOSEPH GUFFEY. A MAN ANAMED KENNEDY OF UNITED MINE WORKERS IS STOOGE FOR JOHN L. LEWIS, HEAD C. I. O., THAT JOSEPH GUFFEY, JOHN L. LEWIS AND WALTER A. JONES VISITED MEXICO IMMEDIATELY PRIOR TO THE CONFISCATION OF AMERICAN OIL PROPERTIES BY MEXICAN GOVERNMENT AND THERE IS SUSPICION THAT THESE MEN INFLUENCED OR ENCOURAGED PRESIDENT OF MEXICO INTO THIS CONFISCATION. PITTSBURGH DIVISION REQUESTED TO INTERVIEW EDGAR MORRIS, GUARANTY TRUST COMPANY, GULF BUILDING, PITTSBURGH AS HE HAS EXTENSIVE KNOWLEDTE ACTIVITIES ABOVE INDIVIDUALS, WELL ACQUAINTED WITH LOCAL PITTSBURGH AFFAIRS AND POLITICAL SET UP RE JONES ET AL. ALSO JAMES CHAPMAN PRESIDENT COLONIAL TRUST COMPANNY, PTIXX PITTSBURGH AND RICHARD B. MELLON, PRESIDENT MELLON NATIONAL BANK PITTSBURGH. IT IS ALSO RUMORED THAT JONES MADE BIG CONTRIBUTIONS TO CERTAIN COMMITTEES IN LAST PRESIDENTIAL CAMPAIGN SUPPOSEDLY FROM FUNDS RECEIVED THROUGH DAVIS FROM FOREIGN SOURCES. PITTSBURGH DIVISION HAS BEEN REQUESTED TO CONDUCT IMMEDIATE INVESTIGATION, UNLESS INSTRUCTED TO CONTRARY BY BUREAU.

RECORDED & INDEXED
65-1168-165
SEP 23 1939
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE

Copy Mr James Copy destroyed -3

CONFIDENTIAL FOXWORTH

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

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SEP 23 1939

NW 63226 DocId:34637333 Page 45

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FEDERAL BUREAU OF INVESTIGATION,
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 21 1939

TELETYPE

CONFIDENTIAL

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Declassify from: OADR
Date of Declassification Indefinate 4-12-78

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Gurnea
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

APPROPRIATE AGENCIES AND EYES ONLY ADVISED BY SLIP (S) 9-22-39

DECLASSIFIED BY SP1CLM/EH ON 4-6-00

GA

FBI BOSTON 9-21-39 6-28 PM FN

DIRECTOR AND SAC NEW YORK CITY

WILLIAM RHODES DAVIS, ESPIONAGE. FIRST NATIONAL BANK OF BOSTON DURING PAST FIVE YEARS FINANCED SUBJECT IN VARIOUS OIL ENTERPRISES TO THE EXTENT OF FIVE AND ONE HALF MILLION DOLLARS, PART IN FROZEN GERMAN MARKS, PROPERTY OF THE BANK IN GERMANY, REMAINDER IN AMERICAN DOLLARS. PRIOR TO EXPROPRIATION OF FOREIGN OIL HOLDINGS IN MEXICO SUBJECT ~~RE CXXX~~ RECEIVED CONCESSIONS FROM MEXICAN GOVERNMENT TO DRILL. ONE HUNDRED AND TWENTY THOUSAND DOLLARS ADVANCED BY SUBJECT AND ASSOCIATES AND ONE MILLION DOLLARS IN GERMAN MARKS OWNED BY FIRST NATIONAL BANK OF BOSTON FINANCED OPERATIONS WITH CONSENT OF REICH OFFICIALS WHEREBY OIL WOULD BE SHIPPED TO TANK FIELDS IN NORWAY AND REFINERIES IN GERMANY. IN ORDER TO RELEASE THE BANK FUNDS IN GERMANY, ONE MILLION DOLLARS WORTH OF PIPE WAS SHIPPED TO MEXICO. SUBJECT SAID TO HAVE SUPPLIED GERMAN NAVY WITH OIL DURING PAST FEW YEARS, ALL HIS SHIPS BEING SENT TO LANDSEND, ENGLAND, FOR FURTHER ORDERS AS TO POINT OF DISPOSAL. VERY ~~EIXXX~~ FRIENDLY WITH SCHACT FORMER MINISTER OF FINANCE OF REICH AND HERMANN GOERING.

CONFIDENTIAL

RECORDED & INDEXED

65-1168-66

1 Copy destroyed 4-12-78

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DECLASSIFICATION: 25X 3

TAMM TELETYPE

[redacted]

PAGE TWO

ON DAY OF DECLARATION OF WAR SUBJECT HAD NINE SHIPS, ONE GERMAN NAVY VESSEL, ONE GERMAN MERCHANTMAN, REST NORWEGIAN, EITHER LOADING OR EN-ROUTE TO EUROPE WITH OIL. OF THESE SHIPS TWO REMAINED IN AMERICAN PORTS, ONE WAS AT LANDSEND, TWO AT NORWAY, WHEREABOUTS OF OTHERS UNKNOWN. PART OF SHIPMENTS FROM TEXAS LOADED AT HOUSTON, REMAINDER OBTAINED FROM MEXICAN GOVERNMENT FROM EXPROPRIATED FIELDS. BILLS OF LADING FOR CARGOES ~~XXX~~ HELD BY BANK UNTIL SHIPMENT DELIVERED AND PAID FOR. SUBJECT PRESENTLY INDEBTED TO BANK FOR SEVEN HUNDRED THOUSAND DOLLARS, SECURED BY COLLATERAL. HAD IN PAST SHIPPED OIL TO SPAIN. LEFT BY CLIPPER PLANE YESTERDAY FOR LISBON AND PURPOSE OF TRIP AND EXACT DESTINATION NOT DISCLOSED, HOWEVER IT CONCERNS OIL. STATE DEPARTMENT COGNIZANT OF REASONS FOR TRIP. SAID TO BE FRIENDLY WITH SECRETARY OF STATE AND PRESIDENT ROOSEVELT TO WHOSE CAMPAIGN SUBJECT CONTRIBUTED TWO HUNDRED AND FIFTY THOUSAND DOLLARS THROUGH JOHN L. LEWIS, SENATOR Joseph GUFFEY AND WALTER JONES OF PITTSBURGH. ALSO DID BUSINESS WITH CHASE NATIONAL BANK NEW YORK CITY FROM WHOM HE PURCHASED ESTATE WHERE HE NOW RESIDES AT SCARSDALE NEW YORK (XXX)

[redacted]

NW 63226 DocId:34637333 Page 47

[redacted]

PAGE THREE

FIRST NATIONAL BANK OF BOSTON HAS FILE OF ~~DUCXXX~~ DOCUMENTS AND ACCOUNT ACTIONS PERTAINING TO TRANSACTIONS WITH SUBJECT AND WILL ~~COPYXX~~ COOPERATE TO THAT EXTENT WHICH DOES NOT VIOLATE CONFIDENCE WITHOUT SUBPOENA. BANK CLAIMS F. B. I. AND STATE DEPARTMENT HAS COMPLETE DATA RE SUBJECT AND WOULD LIKE TO ~~KNOWNXXX~~ KNOW PURPOSE OF INQUIRY PRIOR TO OPENING FILES WHICH ARE VOLUMINOUS. ADVISE TO WHAT EXTENT FURTHER INQUIRY SHOULD BE MADE.

PETERSON

END

ACK

WASHINGTON OK FBI WASHINGTON DC OEC

NYC OK FBI NYC JGW

DISC

[redacted]

[redacted]

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.

DEPARTMENT OF STATE
WASHINGTON

In reply refer to
A-M

September 21, 1939.

STRICTLY CONFIDENTIAL

My dear Mr. Hoover:

There are enclosed copies of the papers in the passport file of Miss Erna Frieda Wehrle, a native American citizen who is in the employ of Mr. W. R. Davis, who claims to be a native American citizen.

This Department has refused the request of Mr. Davis, who departed for Rome yesterday on the Pan American clipper, for the validation of the passport of Miss Wehrle, his secretary, who desired to accompany him. In view of various circumstances of this case it would be appreciated if your Bureau could keep this woman under surveillance for the time being.

Sincerely yours,

George S. Messersmith
Assistant Secretary

Enclosures:
File, as stated.

RECORDED & INDEXED

65 1168-66 X

FEDERAL BUREAU OF INVESTIGATION
OCT 21 1939
DEPARTMENT OF JUSTICE

John Edgar Hoover, Esquire,
Director, Federal Bureau of Investigation,
Department of Justice,
Washington, D. C.

NW 63226 DocId:34637333 Page 49

Mr. Reis
valid 2 mo
Italy - bus
Portugal
Spain) trav
ICC

DAVIS & COMPANY, INCORPORATED
30 ROCKEFELLER PLAZA
NEW YORK, N.Y.

ADDRESS ALL CORRESPONDENCE
TO THE COMPANY

September
Thirteen
1939

Mr. R. B. Shipley
Chief of Passport Division
State Department
Washington, D. C.

Dear Sir:

I herewith hand you:

Our submitted RS

Passport No. 361761 of Marie M. T. Davis, my wife;
Passport No. 642312 of Erna Frieda Wehrle, my secretary;
Passport No. 743 of William Rhodes Davis.

I desire to make a trip to Rome, Italy, leaving on the Pan American "Clipper" from Port Washington on September 20, this year, by Lisbon to Rome.

The necessity of the trip is an emergency one, due to the fact that I have been and am now doing considerable business in petroleum and its by-products in Europe for the past seven years. Due to the present conditions in Europe, my trip is necessitated by my desire to liquidate such credits as are due me and for the re-organization of the loss of certain assets belonging to my company in the warring countries. Certain executives of my foreign companies have arranged to meet with me in Rome on September 26 for this purpose. I intend to remain in Rome only for a few days, returning by the Pan American "Clipper" taking passage at Lisbon. I intend to use the aerial connections between Lisbon and Rome and return.

I would greatly appreciate if you will do me the favor of granting passport facilities for this particular trip.

Very truly yours,

W. R. Davis

WRD:OW

NW 63226 DocId:34637333 Page 50

§642612

The legal fee for a passport is $9, in currency or postal money order, and $1 for execution of application.

The total fee is $10. It is unnecessary to pay any other fee to any person in connection with the filling out or execution of this application or for obtaining the passport. All necessary information and guidance will be given applicant by the clerk of court or Passport Agent before whom this application must be executed.

PASSPORT APPLICATION

FORM FOR NATIVE CITIZEN

[EDITION OF 1939]

Execute and attach PART TWO if members of family are to be included in passport

PASSPORT ISSUED JUN 1 1939 DEPARTMENT OF STATE

130

WEHRLE ERNA FRIEDA
(Surname) (First name) (Middle name)

(To be printed in full by applicant for passport)

UNITED STATES OF AMERICA
STATE OF NEW YORK } ss:
COUNTY OF NEW YORK

I, Erna Frieda Wehrle---- (Name in full), a CITIZEN OF THE UNITED STATES, do hereby apply to the Department of State, at Washington, for a passport. I solemnly swear that I was born at Grand Rapids (Town or city), Michigan (Province or county), U. S. A. (State or country), on Jan. 9, ~~1939~~ 1911 (Date)

My father, Frank Xavier Wehrle (Name), was born at Baden, Germany on December 3, 1871, and is now residing at Thomaston, Connecticut

I am domiciled in the United States, my **permanent residence** being at Litchfield Street (Street address) in Thomaston (Town or city), State of Connecticut

I {~~have~~ / have not} been naturalized as a citizen of a foreign State. I {~~have~~ / have not} taken an oath of allegiance to a foreign State.

(If applicant took an oath of allegiance to, or was naturalized in a foreign State, a supplementary statement, under oath, should be attached)

THIS PORTION TO BE FILLED IN BY AN APPLICANT WHO WAS BORN ABROAD, OR WHOSE FATHER WAS BORN ABROAD

(See footnote at bottom of page 2)

I have resided outside the United States as follows:

(State name of, and period of residence in, each foreign country)

Europe 5 trips, from about 1 month each, time renewal of passport

(Name of countries) from ... to ...

(The following portion in this block to be filled in only by a person whose father was not born in the United States)

My father emigrated to the United States on or about ..., 1902, resided 37 years continuously in the United States from 1902 to 1939, and was naturalized as a citizen of the United States before the ... Court of ...

at Waterbury Conn (City) (State) on ... (Month and day), 1... (Year)

A WOMAN APPLICANT MUST FILL IN THIS PORTION

I was {never married. / ~~last married on~~ ...} to ...

who was born at ... on ...; who {is / is not} an American citizen,

and who is now residing at ...

Our marriage {has not been terminated. / was terminated by (death) (divorce) on ...} (Date of death or divorce)

My maiden name was ... (Name), and

I {was not previously married. / was previously married to ...} (Full name of former husband)

on ... (Date), at ... (City and State), who was born at ..., and the marriage was terminated by {death / divorce} on ... (Date)

(If married more than twice, set forth facts in a supplemental statement)

My {husband / former husband} emigrated to the United States on ...

This f... (Name of father) } was naturalized as a citizen of the United States before the ... Court of ... at ...

Case 1:24-cv-00726 Document 1-1 Filed 01/24/24 Page 5 of 11

My last passport was obtained from Washington, D. C., on [illegible] 2, 1935
(Insert Washington or location of office abroad) (Date)

and is submitted herewith for cancelation .....
(Give disposition of passport if it cannot be submitted)

I intend to visit the following countries for the purposes indicated:

England, France, Germany — Visiting
(Names of countries to be visited) (Purposes of visits)

and I intend to return to the United States within six {months. ~~years.~~

Passport No. 223665 issued at Washington on [illegible] 2, 1935
Seen and (had been) canceled .....

ADDRESS

I request that my passport be mailed to the following address:

[NOTE.—A passport will not be mailed to a hotel address unless the hotel is the applicant's place of permanent residence.]

PRINT
Name Miss Erna F. Wehrle
Number and street c/o Davis & Company Incorporated 30 Rockefeller Plaza
City and State New York, N. Y.

DESCRIPTION AND PHOTOGRAPH OF APPLICANT

Height 5 feet, 7 inches.

Hair Black

Eyes Brown

Distinguishing marks or features ----- (Note any marks or scars on hands or face by which applicant may be identified)

Place of birth Grand Rapids, Michigan (City and State)

Date of birth January 9, 1911 (Month, day, and year)

Occupation Secretary

I solemnly swear that the statements made on both sides of this application are true and that the photograph attached hereto is a likeness of me.

OATH OF ALLEGIANCE

Further, I do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; and that I take this obligation freely, without any mental reservation, or purpose of evasion: So help me God.

Erna F. Wehrle
(Signature of applicant)

Sworn to before me this ..... day of ....., 19.....

[SEAL OF PASSPORT AGENCY]

Agent of the Department of State.

AFFIDAVIT OF IDENTIFYING WITNESS

I, the undersigned, solemnly swear that I am a citizen of the United States; that I reside at the address written below my signature hereto affixed; that I know the applicant who executed the affidavit hereinbefore set forth to be a citizen of the United States; that the statements made in the applicant's affidavit are true to the best of my knowledge and belief; further, I solemnly swear that I have known the applicant personally for ..... years.

If witness has been issued a passport, give number if known and date or approximate date of issue.

No. ..... Date of issue .....

No lawyer or other person will be accepted as witness to a passport application if he has received or expects to receive a fee for his services in connection with the execution of the application or obtaining the passport.

(Signature of witness)

(Relationship to applicant, if not related, so state)

(Residence address of witness)

Subscribed and sworn to before me this ..... day of ....., 19.....

Signatures should not be affixed until requested by an appropriate official of the Passport Agency.

NW 63226
DocId:3463783 Page 52

DEPARTMENT OF STATE

NEW YORK S... 94609

Renewal Series No. ..... (Do not fill in above line)

Passport No. 2234921

Issued on July 7, 1935

Issued at { Washington, D. C. }

APPLICATION FOR RENEWAL OF PASSPORT

I, the undersigned, hereby apply for a renewal of the period of validity of my passport, the number and date of which appear above:

FILED

I hereby declare that—

(Use one of the two following lines, striking out the other)

I was born in the United States.

~~I was born in~~ ..... and (I) (my father) was naturalized in the year .....
(Insert name of country if born abroad) (If naturalized, insert date of naturalization)

I { ~~have~~ / have not } { taken an oath of allegiance to / been naturalized as a citizen or subject of } a foreign State.
(If applicant took an oath of allegiance to, or was naturalized in a foreign State, a supplementary statement, under oath, should be attached)

THIS SECTION MUST BE FILLED IN BY ALL WOMEN, AND BY ALL THOSE MEN WHOSE PASSPORTS BEAR THE NAMES OF THEIR WIVES.

I was { never married. / married in the year ..... } My { wife / husband } was born in { the United States. / ..... }
(Strike out above if never married) (Insert name of country if born abroad)

(Strike out the four following lines if never married.)

and { was naturalized in the year ..... / is an alien, a citizen of ..... }
(Fill in appropriate space)

Our marital status { has not been terminated. / was terminated by (death) (divorce) in the year ..... }
(Strike out one of the above two lines) (Date)

6/24/37

THIS SECTION MUST BE FILLED IN WHEN THE RECORD IN THE PRECEDING SECTION SHOWS THAT MARRIAGE OCCURRED ON OR AFTER SEPTEMBER 22, 1922. (A record of a man's previous marriage is not required.)

(Use one of the two following lines, striking out the other)

I (My wife) { was not previously married. / was married to former husband on ..... }
(Date of each previous marriage)

(Strike out the following lines if not previously married)

He was born in { the United States. / ..... }, and { was naturalized on ..... / is an alien, a citizen of ..... }
(Insert name of country if born abroad) (Insert date of naturalization) (Name of country)

The marital status was terminated by (death) (divorce) on .....
(Date)

THIS SECTION MUST BE FILLED IN BY ALL PERSONS WHO HAVE ACQUIRED CITIZENSHIP THROUGH MARRIAGE OR NATURALIZATION.

Since my present passport was issued I have been outside of the United States at the following places for the periods stated:

..... from ..... to .....
..... from ..... to .....
..... from ..... to .....

The purposes of my visits to the foregoing countries were as follows (give reason or reasons for stay in each country named): .....

(DO NOT USE THIS SPACE)

Application and passport submitted for Department's consideration by ..... Agency, on .....
(Initials of agency) (Date)

.....
(Agent, Department of State)

Ren[redacted] NEW YORK ..... Agency, on JUN 12 1937
(Initials of agency) (Date)

today's date

(Do not use this space)

19489

WEHRLE ERNA FRIEDA
(Surname) (Given name) (Middle name)
(To be PRINTED by the person who enters application)

130

The names listed below should be excluded from my passport as those members of my family will not accompany me on foreign travel now contemplated and for which I herein request renewal of my passport.

Wife ---------- Minor children

Following are the names and dates of birth of my minor children who are over 18 years of age, who are included in my passport and who will accompany me on my contemplated travel abroad for which I herein request renewal of my passport:

(Name)	*(Date of birth)*

I am domiciled in the United States, and at present I am in the United States, residing (together with those whose names appear in my passport) at 410 Park Ave
(Street address)

City of [illegible], State of [illegible]

I intend to leave the United States from the port of [illegible]
(Port of departure)

sailing on board the Manhattan, on July, 193 7
(Name of ship) (Date of departure)

(Signature) X Erna T. Wehrle
(I hereby declare that I personally affixed my signature appearing above)

Please mail passport to {above / following} address:

Street ----------

City ----------

State ----------

(Do not use the following lines)

REMARKS: ----------

NWW 603726
Docket: 3416/3333 Page: 54

I solemnly swear that the statements made on both sides of this application are and that the photograph attached hereto is a likeness of me.

OATH OF ALLEGIANCE

Further, I do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; and that I take this obligation freely, without any mental reservation or purpose of evasion: So help me God.

X Erma Frieda Wehrle
(Signature of applicant)

EFW

Sworn to before me this JUL 1 1935 day of ....., 19..

SEAL OF PASSPORT AGENCY NEW YORK

.....
Agent of the Department of State.

DESCRIPTION OF APPLICANT

Height 5 feet, 7 inches. Age Twenty-four years.

Hair Black

Eyes Brown

Distinguishing marks or features .....
(Note any facial marks or scars by which applicant may be identified)

Place of birth Grand Rapids, Michigan
(City and State)

Date of birth January 9, 1911
(Month, day, and year)

Occupation Stenographer

I intend to leave the United States from the port of New York
(Port of departure)

sailing on board the "Bremen" on July 6, 1935
(Name of ship) (Date of departure)

ADDRESS

I request that my passport be mailed to the following address:

Name .....

Number and Street .....

City and State .....

[NOTE.—A passport will not be mailed to a hotel address unless the hotel is the applicant's place of permanent residence.

NEW YORK POLICE

AFFIDAVIT OF IDENTIFYING WITNESS

I, the undersigned, solemnly swear that I am a citizen of the United States; that I reside at the address written below my signature hereto affixed; that I know the applicant who executed the affidavit hereinbefore set forth to be a citizen of the United States; that the statements made in the applicant's affidavit are true to the best of my knowledge and belief; further

I solemnly swear that I have known the applicant personally for 24 years.

EFW

Frank X. Wehrle
(Signature of witness)

Thomaston, Conn.
(Residence address of witness)

If witness has been issued a passport, give number and date of issue or approximate date of issue.

No. ..... Date of issue May 5, 1928

No lawyer or other person will be accepted as witness to a passport application if he has received or expects to receive a fee for his services in connection with the execution of the application or obtaining the passport.

*Sworn to before me this JUL 1 1935 day of ..... 19..

.....
Agent of the Department of State.

Signature should not be affixed until requested by an appropriate official of the Passport Agency.

NW 63226
DocId:34637333 Page 55

The legal fee for a passport is nine dollars in currency, and one dollar for execution of application.

The total fee is $10.00. It is unnecessary to pay any other fee to any person in connection with the filling out or execution of this application or for obtaining the passport. The clerk of court or Passport Agent before whom this application is executed will give the applicant all necessary information and guidance.

PASSPORT APPLICATION

223492

[FORM FOR NATIVE CITIZEN]

EDITION OF 1934

UNITED STATES OF AMERICA
STATE OF NEW YORK
COUNTY OF NEW YORK } ss:

I, Erna Frieda Wehrle (Name in full), a NATIVE CITIZEN OF THE UNITED STATES, hereby apply to the Department of State, at Washington, for a passport. I solemnly swear that I was born at Grand Rapids (City or town), Michigan (State), on January 9, 1911 (Date); that I was {never married / married on} ; (A woman must insert date of **each** marriage)

that my {father / husband}, Frank X. Wehrle (A woman who has been married must insert husband's name), was born at Furtwangen (City or town), Germany (State or country); and is now residing at Thomaston, Connecticut (Give present address. If deceased, give date of death)

(The portion in this block to be filled in only by a person whose father was not born in the United States)

My father emigrated to the United States on or about April, 1902, resided continuously in the United States from 1902 to date, at Waterbury, Ct., Grand Rapids, Mich., Thomaston, Conn. and was naturalized as a citizen of the United States before the U.S. District Courts, Court of Waterbury, Conn. (District, state, county) New Haven County at Waterbury, Connecticut (City and State) on December (Month) 15 (Day), 1920 (Year)

I am domiciled in the United States, my **permanent residence** being at ..... (Street address) in the city of Thomaston, State of Connecticut

I {have / have not} taken an oath of allegiance to, or been naturalized as a citizen or subject of any foreign State.
(If applicant took oath of allegiance to, or was naturalized in a foreign State, a supplementary statement, under oath, should be attached)

(The portion in this block to be filled in by a woman who is married to an alien and by a person whose father was not born in the United States)

I have resided outside the United States at the following places for the following periods:
[Name each country and length of stay in each]

9/19 Germany, from ..... (Departure from U.S.) to .....

..... (Names of countries), from June 1928 to June 1929 (Return to U.S.)

My last passport was obtained from Washington (Insert Washington, or location of office abroad) on May 5, 1928 (Date)

and is ~~submitted herewith for cancelation~~. in mother's possession (Give disposition of passport if it cannot be submitted)

I am about to go abroad temporarily and intend to return to the United States within 2 {months. / ~~years.~~}

Germany (Name countries to be visited) Business (Object of visit)

I request that my passport include my wife, ... (Name in full)

who was born at ..... (Place and State or country) on ..... (Date)

to whom I was married on ..... (Date of marriage), and whose photographic likeness is attached hereto.

Her present address is ..... (City) (State) (Country)

PORTION IN THIS BLOCK MUST BE FILLED IN IF MARRIAGE TOOK PLACE ON OR AFTER SEPTEMBER 22, 1922

My (wife's) maiden name was ..... (Name), and (I) (she) {was / was not} previously married on ..... (Date of **each** previous marriage)

{My / Her} former husband, ... (Full name of former husband), was born at ..... (City and State or country) and {he died / we / they} were divorced on ..... (Date)

[My wife emigrated to the United States on or about ..... and (her father) (her former husband) naturalized as a citizen of the United States before the ..... Court of

(Portion in brackets not to be filled in if wife claims citizenship through birth in the United States)

(To be **printed in full** by applicant for passport)

(Surname) (First name) (Middle name)

Department assures that applicant is in possession of proof of citizenship.

Seen and (had been) returned on 1928

3-28-28 Male (wife) [illegible]

5-16-28 [illegible]

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
SEP 23 1939
TELETYPE

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

FBI NEW YORK CITY 9-23-39 10-40 AM RK

DIRECTOR

WILLIAM RHODES DAVIS ESPIONAGE. FOLLOWING CABLEGRAMS RECEIVED BY SUBJECT DURING JUNE, JULY AND AUGUST, NINETEEN THIRTY NINE, PHOTOSTATIC COPIES OF WHICH ARE BEING FORWARDED -

"JUNE FIRST, TEN THIRTEEN AM

KLEMMFLUG BOEBLINGEN WUERTT GERMANY

DAVCOM TELEGRAM VOM 31 NACH BERATUNG MIT MIR ABGESANDT STOP WOLLEN NACH HIESIGER BESPRECHUNG MIT DRKLEMM JE EINE KL105 UND 106 BESTELLEN UND BITTEN UM ENTSPRECHENDE DISPOSITION ZWECKS VERMEIDUNG ZEITVEBLUST WEIL"

RECORDED & INDEXED
65-1162-67
FEDERAL BUREAU OF INVESTIGATION
SEP 23 1939
U.S. DEPARTMENT OF JUSTICE
TAMM

"JUNE FIRST, FIVE FORTY THREE PM

NLT EUROTANK HAMBURG GERMANY

EXPECT LOAD HIGHOCTANE TWENTYFIVE PLUS COLOR GASOLINE REUTER THEREFORE NECESSARY MAKE SURE VESSEL SUFFICIENTLY CLEAN AVOID CONTAMINATION STOP TELEGRAPH NUMBER HOURS ALLOWED REUTER LOAD DISCHARGE ALSO WHAT FREIGHT RATE CAN EXPECT IF LOAD USGULF AND DISCHARGING TWO PORTS EASTCOAST ENGLAND OR ONE PORT EASTCOAST ENGLAND ONEPORT SWEDEN

DAVCOM "

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 4-5-94 BY SP2 glc/tr/hm

NW 63226
DocId:34637333 Page 57

PAGE TWO

"JUNE SIX, THREE THIRTY PM

"NLT EUROTANK BERLIN

YOURS 315 RUMOUR WITHOUT FOUNDATION OUR SITUATION COULD NOT BE BETTER STOP EVERTHING PROGRESSING AS PLANNED WILL ADVISE FULLY MY RETURN NEWYORK NEXT MONDAY STOP HOLD EVERYTHING GASOIL MEXICO WHICH WE EXPECT HAVE SHORTLY PROVIDING THERE NO DEVIATION OUR AGREEMENT IMPORT BOARD

DAVIS "

"JUNE SEVEN, NINE THIRTY TWO AM

KLEMMFLUG BOEBLINGEN WUERTT GERMANY

ERBITTEN NACHRICHT OB DOKTORKLEMM ABGEREIST

DAVCOM"

"JUNE SEVEN, TEN FIFTY FOUR AM

EUROTANK BERLIN

UNDER NEW BASIS CREDIT 683999 D XXX FIGURES SHOULD BE 683000 DOLLARS FOR JUNE LIFTINGS DISTRIBUIDORA MUST TURN DOCUMENTS JUNE BOATS OVER TO GERMANICO FOR TRANSFER SUDAMERO THIS IMPOSSIBLE AS YOU KNOW WE NEED DOCUMENTS FOR BOSTON AND ALSO NOW COMPLICATED MATTERS WITH DISTRIBUIDORA AS 683000 DOES NOT COVER ALL JUNE SHIPMENTS TO GERMANY STOP MEANWHILE LOADINGS DELAYED UNTIL CREDIT OPENED PROPERLY OR AS PREVIOUSLY ADVISE IMMEDIATELY

DAVIS "

"JUNE FOURTEEN, ELEVEN NINETEEN AM

LC MARLOTT KLEMM 556 BOEBLINGEN WUERTT GERMANY

HERZLICHEN DANK FUER WILLKOMM STOP VERHANDLUNGSSTAND GUT

STOP RUECKFAHRT VORAUSSICHTLICH ERSTEN JULI

HANNS"

"JUNE FOURTEEN, ELEVEN NINETEEN AM

LC KLEMMFLUG BOEBLINGEN WUERTT GERMANY

EUER TELEGRAMM 12 AN WEIL OFFENBAR UEBERHOLT DURCH TELEGRAMM AN

HAKA 12 STOP ERBITTEN BESTAETIGUNG STOP DRAHTET VERMUTLICHEN

STAND BEWILLIGUNGSAUSSICHT UND TERMIN STOP DANN VORAUSSICHTLICH

RASCH ENTGUELTIGER ABSCHLUSS

KELMM UND DAVCOM"

"JUNE FOURTEEN, NINE FIFTY SEVEN AM

THORSTENSON, SJANDITANK - MALMO SWEDEN

DITT TELEGRAM GJORDE MIG LEDSEN SOEK UPPSKJUTA DEFINITIVT

BESLUT NY ANSTAELLNING TILL MIN HEMKOMST OMKRING SISTE JUNI TROR

NAEMLIGEN IDAG PAA N XX BOLAGETS FRAMTID VAENLIGEN BEKRAEFTA UPPSKOV

ILTELEGRAM

HARALD "

NW 63226
DocId:34637333 Page 59

"JUNE FIFTEEN, NINE FORTY SEVEN AM

LC EUROTANK BERLIN

YOUR 336 A ND 338 REFINERIES RUNNING ABOUT FIFTY PERCENT CAPACITY THEREFORE BUNKERFUEL REDUCED FIFTE XX FIFTY PERCENT RAILROADS AND INLAND POWER PLANTS ARE NOT BEING FURNISHED THEIR FULL REQUIREMENTS THEREFORE IMPOSSIBLE ARRANGE LIFTING BUNKER TAMPICO OR MINATITLAN REMEMBER WE SITTING BETWEEN TWO GOVERNMENTS WE CANNOT MAKE EITHER ONE DO ANYTHING THEREFORE MUST ABIDE THEIR DECISIONS STOP IF IMPORTBOARD WILL GIVE ME DEVISEN CAN BUY BUNKER AT GULF AT MARKET

DAVIS"

"JUNE 16,2-31 PM

NLT KLEMMFLUG, BOEBLINGEN WUERTT GERMANY

WEGEN PATENTUEBERTRAGUNG HIER DRINGDRAHTET OB BANKMITTEILUNG FREIE ODER SPERRZAHLUNG BETRIFFT

DR KLEMM"

"JUNE 23,10-45 AM

LC EUROTANK BERLIN

PLEASE ADVISE PROGRESS MADE REGARDING PERMIT SALE FINNISH SWEDISH ASSETS

DAVCOM"

NW 63226
DocId:34637333 Page 60

"JUNE 24,9-28 AM

LC MARLOTT KLEMM

556 BOEBLINGEN WUERTT GERMANY

ALLES IN GUTER ORDNUNG HERZLICHE SONNTAGSGRUESE

HANNS "

"

JUNE 24,12-43 PM

NLT EUROHANDEL BERLIN

WINKO RECEIVED EUROTANKS ORDERCONFIRMATION PUMPS STOP ACCORDING MEXICAN CONTRACT AND OUR MEMORANDA ONE AND TWO SHOULD BE MANUFACTURERS CONFIRMATION NOT EUROTANKS ACCEPTING ORDERS FOR DELIVERY PEMEX STOP EUROTANKS CONFIRMATION TO DAVCOM NOT ACCEPTABLE SUPPORT FOR OUR INVOICE PEMEX FOR CREDIT IN OIL STOP MUST HAVE MANUFACTURERS ORDERCONFIRMATION IN ENGLISH SO CAN INVOICE PEMEX AND GET OILCREDIT STOP CABLING SHIPPING INSTRUCTIONS SOON AS RECEIVED

DAVCOM"

"JUNE 28,10-29 AM

LC EUROTANK, BERLING

YOUR 365 BERLIN AUTHORITIES SHOULD MAKE NO NEGOTIATIONS WITH DISTRIBUIDORA ON 40000 TONS STOP LEAVING FOR MEXICO TOMORROW WILL MAKE SOME SETTLEMENT THIS MATTER IN OTHER DIRECTIONS MY ARRIVAL STOP WHAT WILL HAPPEN TO SCHURFELD PAYMENTS

DAVIS"

"JUNE 30,11-56 AM

LC NV HANSELL DORCHOTEL LONDON

SUGGEST YOU BE EXTREMELY CAREFULL MAKE NO COMMITMENTS VERBALLY OR OTHERWISE WITH H XX LINDHOLM SCANDINAVIAN BUSINESS STOP DISCUSS WITH NILSSON UPON ARRIVAL ALSO NO COMMITMENTS BERTRAM REGARDING PAYMENTS IN ADVANCE EITHER MARKS OR DOLLARS STOP EXPECT SAIL EIGHTH

DAVIS"

"JUNE 30,11-56 AM

NLT CARL VONCLEMM C O EUROTANK BERLIN

SUGGEST YOU MAKE NO COMMITMENTS VERBALLY OR IN WRITING LINDHOLM SCANDINAVIAN BUSINESS STOP AWAIT NILSSONS ARRIVAL

DAVIS"

"JULY 6,10-16 AM

DR HANNS KLEMM SS BREMEN RADIONEWYORK

MIT EUCH HIER NEUVERFASSTES US SCHALENBAUPATENT ANGENOMMEN OFFIZIELLE AUSGABE VORAUSSICHLICH ERSTEN AUGUST GLUECKWUENSCHE

DAVCOM"

NW 63226
DocId:34637333 Page 62

"JULY 7,4-27 PM

MLT KLEMMFLUG BOEBLINGEN WUERTT GERMANY

TIEF BETROFFEN DURCH NACHRICHT VOM BERUFSTOD CHEFPILOT KALKSTEIN VERSICHE
RN EUCH AND ANGEHOERIGE UNSERER ANTEILNAHME UND MITGEFUEHLS BEIM
VERLUST DIESES AUSGEZEICHNETEN MANNES

WEIL"

"JULY 8,11-31 AM

LC KLEMMFLUG BOEBLINGEN GERMANY

FOR DOKTOR KLEMM SINCEREST SYMPATHY AND DEEP REGRETS OVER DEATH YOUR
CHIEF TEST PILOT

FLANLEY"

"JULY 10,10-10 AM

LC EUROTANK BELIN

MASSNAT RELEASED ADRIA RUDOLFALBRECHT DOCUMENTS TODAY STOP WE
NOW NUMBERLING CABLES

DAVCOM"

"JULY 15,10-14 AM

NLT EUROTANK BERLIN

INFORMATION YOUR 404 PARTIALLY CORRECT BUT AS USUAL TWISTED TO SUIT
CONVENIENCE OTHERS STOP FACT IS CITSER CONCLUDED ARRANGEMENT WITH
MEXGOV LIQUIDATE EXPROPRIATED PROPERTIES BY TAKING OIL IN PAYMENT WHICH
ARRANGEMENT WHOLLY IN ACCORD MEXGOVS CONSISTENT ATTITUDE FOR SETTLING
CONTROVERSEY FROM BEGINNING T XX STOP HAVE ALREADY WRITTEN DETAILS TO
YOU STOP THINK YOU SHOULD TAKE UNTREATED GASOLINE WHILE AVAILABLE

DAVCOM"

NW 63226
DocId:34637333 Page 63

"JULY 24,10-47 AM

NLT N V HANSELL ADLON BERLIN

~~WE ENTEFING INTO CK XXXXXXXXXXXXX~~

WE ENTERING INTO CONTRACT NOW COVERING CONSTRUCTION OF FIRST RECYCLING PLANT CAPACITY 60000000 FEET DAILY ALSO NEGOTIATING WK TO ERECT REFORMING AND CATALYCTIC UNIT TO HANDLE DISTILLATE 4500 BARRLES DAILY WHICH WE INTENT TO PURCHASE OVER LONGTIME CONTRACT STOP HAVE OTHER SITUATIONS NEGOTIATING BUT NONE CLOSED STOP SUGGEST YOU MAKE NO COMMITMENT REFERENCE ANY NEW CONSTRUCTION WORK THERE UNTIL I HAVE ARRIVED WITH COMPLETE DETAILS COVERING OWNERSHIP FINANCE AND SUPPLY FOR SUCH PLANTS STOP MEXICAN PRODUCTION CONTINUES TO FALL AND PRESENT MANNER OPERATION OF PROPERTY WILL NOT PERMIT CRUDE REQUIREMENTS OTHER THAN FOR EUROTANK HOPE THIS MATTER WILL BE ADJUSTED ARRIVAL PRESIDENT MEXICO THIS WEEK STOP WE NOT INTERESTED ROBERTS TEL SITUATION NOR ARE WE INTERESTED IN HAVING EUROTANK BECOME ASSICIATED THIS SITUATION STOP OTHER MATTERS PROGRESSING SATISFACTORILY

DAVIS"

"JULY 27,9-29 AM

LC EUROTANK BERLIN

26B CLEMM MAXALBRECHT DUE HOUT S XXX HOUSTON AUGUST THIRD STOP WE MUST PAY DOLLARS THIS CARGO THEREFORE WONDERING IF FRIEND CAN OPEN CREDIT IN DOLLARS BEFORE VESSEL ARRIVES STOP PLEASE ADVISE

DAVCOM"

NW 63226
DocId:34637333 Page 64

"JULY 28,3-29 PM

EUROTANK, BERLIN

27B HAMBUG CABLED WINKO REFERENCE REQUISITIONS 1970-71 GERMAN MANUFACTURERS CAN SUPPLY TUBING THIRTYPERCENT NICKEL SEVENTY PERCENT COPPER STOP THIS DEFINITELY REFUSED BY PURCHASER SEE OUR 25TH TODAY TO HAMBURG STOP IN VIEW PRESSING NEED REFINERY EQUIPMENT NOTHING SHOULD BE LEFT UNDONE TO SUPPLY MATERIALS WANTED TO HELP PURCHASER DELIVERY PRODUCTS IMPORTBOARD

DAVCOM"

AUGUST MESSAGES FOLLOW.

FOXWORTH

END

PLS HOLD AFTER ACK

OK FBI WASHINGTON DC WCS

[redacted]

NW 63226
DocId:34637333 Page 65

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
SEP 25 1939

TELETYPE

DECODED COPY

CONFIDENTIAL

FBI CINCINNATI 9-25 -39 430 PM EST MGR

DIRECTOR

DECLASSIFIED BY SP1CLK/JEH
ON 4-6-00

WALTER A JONES, BORN KENT OHIO, JULY TEN, EIGHTEEN SEVENTY FOUR MOVED TO TOLEDO WHEN YOUNG MAN, GRADUATED OHIO WESLEYAN UNIVERSITY EIGHTEEN NINETE SEVEN, HELD POSITIONS WITH TOLEDO Y.M.C .A. AND LICENSED TO PREACH IN METHODIST CHURCH, ENGAGED IN WHOLESALE GLASS BUSINESS, COLUMBUS OHIO NINTEEN SIX TO TWENTY SEVEN. HELD POSITION AS VICE PRESIDENT OLD CITIES NATIONAL BANK BUT EASED OUT OF BANK BECAUSE OF IRREGULARITIES IN MATTER OF HANDLING HIS ACCOUNTS. CREDIT REPORTS REFLECT LARGE INVESTMENT IN STOCKS, BONDS AND SECURITIES. NO REAL ESTATE IN OWN NAME. LEFT COLUBUS SEVERAL YEARS AGO AND PRESENTLY ASSOCIATED WITH BENEDUM TREES COMPANY, PITTSBURGH, PA. MEMBER OF BOARD OF TRUSTEES, OHIO WESLEYAN UNIVERSITY NINETEEN SIXTEEN TO THIRTY FOUR,. MEMBER OF M.E. CHURCH, MASONIC LODGE COLUMBUS ATHLETIC CLUB, AND CHAMBER OF COMMERCE. MORALS, REPUTATION AND CHARACTER GOOD., BUT IS KNOWN AS SCHEMER AND PROMOTER. SUIT FILED BY US GOVERNEMENT IN DISTRICT COURT COLUBUS, AGAINST JONES AND OTHER FOR COLLECTION OF SIXTEEN THOUSAND EIGHT HUNDRED AND SEVENTY FOUR DOLLARS AND FORTY NINE CENTS WHICH GOVERNMET AVERS WAS OVER PAID TO JONES AND OTHERS IN CONNECTION WITH GOVERNMENT CONTRACTS.

RECORDED & INDEXED
65-1168-68

HARRIS

END

OK FBI WASH DC GMC

Classified by 2909 DPJ/kdl
Exempt from GDS Category
Date of Declassification Indefinate
4-12-98

CLASSIFIED BY
DECLASSIFICATION: 25X

4-28-98

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

NW 63226
DocId:34637333 Page 66

DECODED COPY

[redacted]

DECLASSIFIED BY SP1CLM/EH
ON 4-6-00

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

APPROPRIATE AGENCIES AND LETTER DATED ... ADVISED BY ... SLIP (S) ... DATE ...

FBI CALLING FBI DEPT OF JUSTICE WASHINGTON DC 0711

FBI PHILADELPHIA SEPTEMBER 27, 1939 12:00 PM

SAC WASHINGTON FIELD

WALTER A. JONES. INFORMATION CONCERNING. CONFIDENTIAL INFORMANT A UNEXPECTEDLY RESIGNED HIS POSITION AND IS NOW FREE LANCE. INDICATIONS ARE HE MAY JOIN REPUBLICAN PARTY INVESTIGATIVE STAFF PREPARING FOR THE NINETEEN FORTY ELECTION CAMPAIGN. HE STATES JONES HAS ALWAY BEEN CLOSELY ASSOCIATED WITH GUFFEY. JONES HAS HELD ONLY ONE OTHER POLITICAL POSITION, THAT AS HEAD OF PENNSYLVANIA BRANCH OF GOOD NEIGHBOR SOCIETY, A NEW DEAL PROPAGANDA ORGANIZATION FORMED BY STANLEY HIGH, A FORMER MEMBER OF THE BRAIN TRUST. JONES HAS ALWAYS BEEN AN OIL PROMOTION MAN AND CLOSELY CONNECTED WITH BENEDUM TREES CORPORATION PITTSBURGH PENNSYLVANIA AND DAVIS AND COMPANY, NEW YORK CITY. JONES HAS ALSO BEEN CLOSELY ASSOCIATED WITH EMMA GUFFEY MILLER, SISTER OF SENATOR GUFFEY, WHO IS CONSIDERED THE OLD GRAY MARE OF DEMOCRATIC POLITICS IN PENNSYLVANIA. GUFFEY INTEREST MAY BE IN GULF OIL. CONFIDENTIAL INFORMATION CONCERNING THE ALLEGED SCANDAL IN PENNSYLVANIA TURNPIKE COMMISSION TO BE OBTAINED THURSDAY FROM CONTACT OF CONFIDENTIAL INFORMANT A. CONTACTS NAME NOT KNOWN BUT HE IS BELIEVED TO BE AN [redacted] INVESTIGATOR AND A LEADER IN REPUBLICAN RANKS IN PENNSYLVANIA WHO IS POSSIBLY PREPARING MATERIAL FOR NINETEEN FORTY CAMPAIGN.

65-1168-V

b2 - 5 5 3 6 2

FEDERAL BUREAU OF INVESTIGATION
SEP 28 1939
U. S. DEPARTMENT OF JUSTICE

2909 PST

Classified by [redacted]
Exempt from GDS Category
Date of Declassification Indefinite

FLETCHER

CONFIDENTIAL

4-12-78

END

cc Bureau, N. Y., Pitt[illegible]

[redacted]
DECLASSIFY ON: 25X
4-26-78

TWO

NW 63226
DocId:34637333 Page 67

FEDERAL BUREAU OF INVESTIGATION

Form No. 1
THIS CASE ORIGINATED AT WASHINGTON FILE NO. 62-1203

REPORT MADE AT	DATE WHEN MADE	PERIOD FOR WHICH MADE	REPORT MADE BY
Cincinnati	9-29-39	9-23,25-39	FRANCIS J. SMITH - ACR

TITLE	CHARACTER OF CASE
WALTER A. JONES, et al	INFORMATION CONCERNING

SYNOPSIS OF FACTS:

WALTER A. JONES born Kent, O. 7-10-74 and moved to Toledo, O. when a young boy. Graduated Ohio Wesleyan University 1897. Held position with YMCA, Toledo and licensed to preach in Methodist Church. Engaged in wholesale glass business Columbus, O. from 1906 to 1927. Held position as Vice President Old City National Bank and eased out of bank because of irregular practices. Credit report reflects large investment in stocks, bonds, and securities. No real estate in own name. Left Columbus several years ago and presently reported to be associated with Benedum Tree Corporation, Pittsburgh. Member of Board of Trustees, Ohio Wesleyan University from 1916 to 1934. Moral character and reputation good but is known as promotor and schemer. Is defendant in suit filed by U. S. Government at Columbus for collection of $16,874.49 which is alleged to have been illegally paid.

RUC

REFERENCE: Teletype from Bureau dated 9-22-39.

DETAILS: AT COLUMBUS, OHIO

LOREN G. WINDOM, Assistant U. S. Attorney, related he was not acquainted with WALTER A. JONES but that he knew that JONES and several other persons were named as defendants in an action brought by the U. S. Government in an action to recover the sum of $16,874.49.

APPROVED AND FORWARDED: SPECIAL AGENT IN CHARGE

DO NOT WRITE IN THESE SPACES

65 - 1168 - 69

OCT 3 1939

COPIES OF THIS REPORT
3- Bureau
2- Washington Field
2- Pittsburgh
2- Cincinnati

NW 63226
DocId:34637333 Page 68

Re: WALTER A. JONES, et al INFORMATION CONCERNING

Writer reviewed equity case #505 in the office of the U. S. Attorney and it reflected that a suit was filed in the U. S. District Court at Columbus, Ohio on 2-7-27 by the U. S. Government against O. S. MARCKWORTH, W. A. JONES, and J. L. KEENER. The following facts were obtained from the trial brief filed by the government.

"Under date of September 14, 1918 the defendants doing business as the Vitrocell Company entered into a contract with the U. S. Government, #CD-1698, for 1,000,000 lenses for gas masks, for delivery at Columbus, Ohio. By the terms of the contract the government reserved the right to cancel the contract at any time and for any reason and would pay for all completed articles. The contractor had the fight within sixty days, after notice of termination to dispose of any raw materials at a price satisfactory to the contracting office and in that event the government would reimburse the contractor for any proven loss which he may have suffered therefrom.

"By check #20,339 dated 6-6-19, the U. S. Government paid defendants the sum of $34,714.29 compensation for damages as awarded by the Secretary of War and which was approved by the War Department Claim Board on 5-21-17. Included in the amount of $34,714.29 was $16,874.49 for differences between the actual cost and the value at the termination of the contract.

"The Comptroller of the United States later ruled that that portion of defendants' claim for compensation in the amount of $16,874.49 was false, illegal, and contrary to the terms of the contract."

Mr. WINDOM related he has been in charge of this matter for the past several years but has been unsuccessful in having the matter brought on for trial. He reported that he hoped the matter would be disposed of in the Spring of 1940.

A review in the Columbus City Directories from 1913 to 1936 reflected that WALTER JONES resided at 1385 E. Broad St. and was connected with several business enterprises, U. S. Sheet and Window Glass Co., W. R. Jones Co., Wayne Coal Co., and Vice President of the City National Bank.

ALFRED T. COPELAND, Vice President, City National Bank, advised that he was not connected with the bank at the time JONES was vice president and that the present bank is not identical with the City National Bank which was in existence during the period 1920-29. He reported he was not personally acquainted with JONES but knew him by reputation only. In this connection COPELAND advised that from reports current at the bank all of JONES' transactions were subject to criticism and were not in keeping with

NW 63226
DocId:34637333 Page 69

good business. Mr. COPELAND suggested that CHARLES TANNER was active in the old City National Bank and would in all probability be in possession of considerable information concerning JONES.

CHARLES TANNER, 1734 Franklin St., advised he was born and raised in Toledo, O. and became acquainted with WALTER A. JONES when the JONES family moved to Toledo from Kent, O. He reported that he and JONES attended grammar school together. In later years JONES returned to Toledo from college and became associated with the local YMCA, and subsequently was licensed to preach in the Methodist Church. TANNER said that JONES left Toledo about 1900 and he lost contact with him until 1916. At this time TANNER stated that while attending a bankers convention at Columbus, O. he met JONES at the Deshler Hotel and learned that JONES was associated with the City National Bank of Columbus and also interested in the glass business.

After his return to Toledo TANNER stated he was contacted by two officers of the City National Bank of Columbus and offered a position as Vice President of the bank. The two officers informed TANNER that his name had been suggested to them by JONES as being a person competent to manage the affairs of the bank. TANNER related that he declined the offer but later accepted a position as Vice President and Cashier. He related that he assumed his new position about 3-1-17. Soon thereafter he stated that he discovered numerous irregularities in connection with the account of JONES which was in the name of the U. S. Glass Company. TANNER advised that JONES had been successful in having one of the Vice Presidents cooperate with him in a scheme whereby the vice president maintained a stack of incomplete notes, incomplete as to date and duration, executed by JONES as president of the U. S. Glass Company, in his desk. In the regular transaction of business with country banks the accounts of the country banks would be charged and the account of the U. S. Glass Company would be credited in the amount of the loan. When the notes matured and were sent for collection and the account of the Glass Company was in excess of their loan limit they would be carried as cash items in the tellers cages. Within a period of several years after assuming his new duties TANNER advised that he estimated that these notes totalled approximately $165,000. This matter was called to the attention of JONES by TANNER and he was successful in cleaning the matter up within a short period of time.

Continuing, TANNER remarked that JONES later became associated with the Prismolite Company, manufacturers of automobile headlights, which company owed the bank the sum of $38,000 which JONES refused to pay. TANNER stated that he was successful in obtaining a copy of the Prismolite Company's financial statement to Dun and Bradstreet which statement was prepared

NW 63226
DocId:34637333 Page 70

for the express purpose of gaining a rating so that they would be competent to bid on a government contract. TANNER personally made a comparison of the financial statement with the bank statement of the Prismolite Company and observed that the asset column corresponded but that the liabilities listed in the financial statement differed from the bank's records in the amount of $110,000. After discovering this discrepancy TANNER called the accountant for the Prismolite Company to the bank and questioned him relative to the differences. The accountant reported that he was ordered to make the statement in the manner in which it was prepared by JONES so that their company could successfully bid on a government contract. TANNER stated that he made a photostatic copy of the financial statement and obtained a written statement from the accountant and that he has both of these documents in his possession at the present time. Upon obtaining a statement from the accountant, TANNER related he confronted JONES with the facts and ordered him to pay his debt of $38,000 to the bank no later than the following day or suffer the consequences of being exposed. The loan was paid to the bank the following day and JONES soon thereafter withdrew from the bank and opened an account with the Ohio National Bank.

TANNER RELATED THAT his contacts with JONES thereafter were casual and few and he was of the opinion that JONES went into virtual retirement within a few years. He reported that JONES HAs been connected with the Benedum Tree Corporation of Pittsburgh in recent years.

ALEX KRUMM, Vice President, Ohio National Bank, Town and High, recalled that JONES had an account at the bank several years ago but that he transacted his business with two members of the bank who are no longer connected with the bank. He said that he recalled JONES as being a promotor and a schemer who possessed a great deal of wealth on occasions and was destitute on other occasions. Mr. KRUMM made inquiry of several otherofficers of the bank but with negative results.

The following data relative to JONES was obtained from the files of Dun & Bradstreet, 8 E. Long St., through the courtesy of F. W. HOMER, Chief Clerk:

"WALTER A. JONES was for a number of years employed by others until 1906 when his father, W. R. JONES, engaged in the wholesale glass business, purchasing his father's interest in 1915 and forming partnership with J. G. SAYRE, who, however, continued in partnership only a short period of time.

NW 63226
DocId:34637333 Page 71

Re: WALTER A. JONES, et al;

"JONES continued in business as W. R. JONES & Co., until May, 1927 since which time he has been practically retired.

" JONES Is co-receiver with FRED E. PRITCHARDS of affairs of the Wayne Coal Co. of Pittsburgh, Pa.

"Inthe past JONES has refused to submit any information concerning affairs.

"Is not known to possess any real estate in own name and residence at 1385 E. Broad St., Columbus, O. in name of wife.

"JONES is known to have considerable investments in stocks, bonds and securities and to be owing little. Estimate of financial responsibility ranging from $50,009 to $100,000.

"JONES personally appears well regarded in all respects, is of good general business ability and experience and considered successful.

"In past has been considered slow in meeting obligations."

The following information was obtained from the files of the Ohio Bureau of Credits, 60 E. Broad St., through the courtesy of G. FINLEY, Assistant Manager:

Educated at Ohio Wesleyan University and graduated 1897, born Kent, O. 7-10-74; married EMMA BUTLER, Van Wert, O. 1898.
Director of City National Bank, Secretary-Treasurer of Peerless Glass Co., Trustee Ohio Wesleyan University, Delaware, O; member of Franklin Park M. E. Church, Masonic Lodge, Columbus Club, Columbus Athletic Club; and Chamber of Commerce.

Inquiry at the Bureau of Records, Columbus PD, disclosed that JONES was never arrested for any infraction of the laws of the State of Ohio while a resident of Columbus.

AT DELAWARE, OHIO

DONALD HORNBERGER, Treasurer, Ohio Wesleyan University, advised that JONES graduated from the University in 1897 and was appointed to the Board of Trustees in 1916 and held that position until 1934. He related he was intimately acquainted and closely connected with JONES in the affairs of the University for a number of years and that in his opinion JONES was always a promotor and schemer but in spite of this his moral character and reputation were very good and that he was held in high esteem by fellow members of the Board.

REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN

NW 63226
DocId:34637333 Page 72

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

Federal Bureau of Investigation
United States Department of Justice
New York, N. Y.

GAN:RAA
65-128

September 25, 1939

Director
Federal Bureau of Investigation
Washington, D. C.

Re: WILLIAM RHODES DAVIS
ESPIONAGE

Dear Sir:

I am transmitting to you herewith photostatic copies of telegrams sent by DAVIS and his associates through the facilities of the Western Union Telegraph Company during the month of September, 1939; also, photostatic copies of telegrams sent by the Crusader Petroleum Company, Inc., during the months of September and October, 1938, and photostatic copies of telegrams sent and received by DAVIS and his associates through the Scarsdale, New York, office of the Western Union Telegraph Company.

In order to expedite the submission of this information, the individual telegrams are not being listed, but are contained on the photostatic sheets attached hereto, the same being numbered as follows:

Davis & Company,	1 through 10, inclusive
Crusader Petroleum Company, Inc.,	1 through 3, inclusive
Davis and associates, Scarsdale, New York	1 through 5, inclusive

It might be stated that the Western Union Telegraph Company has completed the search of their files for telegrams sent by DAVIS and his associates, and the companies in which he has an interest has been completed both in New York City and at Scarsdale, New York. Photostatic copies of all telegrams have now been forwarded to the Bureau.

RECORDED 65-1168-70

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 4-28-98 BY SP9/cac/AK

Very truly yours,

P. E. FOXWORTH
Special Agent in Charge

Enclosures
SPECIAL DELIVERY

TAMM

NW 63226
DocId:34637333 Page 73

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

WGB:MTG
65-1168

October 2, 1939

MEMORANDUM FOR THE FILE

Re: William Rhodes Davis
Espionage

On September 29, 1939, Mr. Blackburn and Mr. Mesnig of the Laboratory examined the code books on the shelves of Library of Congress for the purpose of determining whether any of them contained certain code words appearing in telegrams in connection with this case but found no book in which they appeared.

The words which were searched through these books are as follows: ambulanz, arrandements, bidon, Bordeaux, chrystemum, devisen, diagnose, dorah, espe, gerstennation, oberin, spiess, weizen, medezin, apotheker, holz.

E. P. Coffey

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DATE 4-28-98 BY SP2 alm/tm

RECORDED
&
INDEXED

65-1168-74
FEDERAL BUREAU OF INVESTIGATION
OCT 3 1939
U. S. DEPARTMENT OF JUSTICE
FILES
TWO

NW 63226
DocId:34637333 Page 74

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

September 22, 1939

EAT:HA

MEMORANDUM FOR THE DIRECTOR

Pursuant to the request of Assistant Secretary of State Berle I called at his office on Wednesday afternoon, September 20, 1939. Mr. Berle previously indicated by telephone he desired to discuss a matter in which the President desired the Bureau to conduct some investigation and that the matter was of such a confidential nature it could not be discussed over the telephone. Upon opening my interview with Mr. Berle he advised the President desired this matter treated in the utmost confidence, that it be handled in the Bureau, and that the Bureau report direct to the President upon it without going through any Departmental channels either in the Department of Justice or in the State Department. Mr. Berle stated of course if the Bureau desired to contact him concerning this matter it should feel free to do so.

According to Mr. Berle, William Rhodes Davis, referred to by Mr. Berle as W. R. Davis, is very close to John L. Lewis of the CIO. On the night of September 14 John L. Lewis contacted the President and requested the President to arrange to see W. R. Davis in a most secretive manner, Lewis representing that Davis had information which was of vital interest not only to the United States but to humanity generally. The President, knowing W. R. Davis' reputation for questionable deals and recalling, according to Mr. Berle, information furnished to the Bureau concerning Davis' participation in the Mexican oil deals sometime ago, declined to arrange any confidential interview with Davis but told John L. Lewis that if Davis wanted to see him it could be arranged in the usual way. On the following day the President did make and keep an appointment with W. R. Davis at 11:45 A. M. As a precaution against any entry or plot by Davis the President however asked Mr. Berle to attend the conference and according to Mr. Berle the President, himself, Davis and presumably Lewis were the only the only persons knowing the facts outlined hereafter.

RECORDED 65-1168-72
FEDERAL BUREAU OF INVESTIGATION
OCT 3 1939
U.S. DEPARTMENT OF JUSTICE

1 ENCL. C

W. R. Davis advised the President that for a period of some years he has been engaged in various oil transactions with an official representative of the German government named Hertslet. According to Mr. Berle the State Department knows Hertslet who was at one time the head of the national youth movement in Germany and who is regarded as being extremely close to Goering. Davis claimed a close personal friendship with Hertslet as a result of his oil deals in Germany and advised that during the course of his

TOLSON
TWO

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DATE 4-28-98 BY SP1 cw/tmm

NW 63226
DocId:34637333 Page 75

visits to Mexico City he has exchanged a large number of communications through the German Embassy at Mexico City with Hertslet. Many of these messages were pertaining to business but Davis claims to have been selected by Goering upon Hertslet's recommendation to approach the President and ask the President to serve as the arbitrator of the various boundary disputes and other matters which precipitated the recent invasion of Poland by Germany. According to Davis who claims to have received this information from Hertslet, Goering has very carefully maneuvered a coupe de'etat which he contemplates perpetrating in the rather immediate future. According to Davis, who claims that all of this information comes from Hertslet, Goering has so firmly entrenched himself with the German military leaders and other key Germans that he is in a position to have himself named as the German leader whenever he is ready to make the move. Davis claimed that during the past several months a studious effort has been made to move Hitler away from the innermost councils of the German leaders and Mr. Berle points out that it is a fact that Hitler for the past two weeks has been with the invading troops at all times. Davis claims that prior to initiating his coupe, Goering had agreed to meet Davis at Rome on Tuesday, September 26, and that the cover for this meeting was an alleged gathering of a number of authorities on oil, oil reserves and oil supplies, including Davis who would attend for the purpose of indicating the attitude of President Roosevelt. Davis claimed that Mussolini would attend this conference on the 26th and was probably a party to the conspiracy. According to Davis, Goering is willing to restore Poland to its status prior to the invasion subject only to sixteen specifications which Mr. Berle in the State Department described as being of a minor nature. This sixteen point program is described as being the one proposed by Hitler upon which the Allied Nations did not have opportunity to act and which program was presumably written by Goering for Hitler.

Davis stated that Goering and the military powers in Germany were entirely out of sympathy with Hitler's war plans and that it would be a comparatively easy matter to arbitrate the various items of dispute, particularly if President Roosevelt would serve as the arbitrator. The President believing that Davis was "too Baron Munchausen" told Davis that he could not indicate any course of action in this situation until he was formally approached by some accredited representative of an existing government.

Thereafter Davis, according to Mr. Berle, obtained passports and booked passage for Europe and did as a matter of fact on Wednesday morning, September 20, leave the United States

NW 63226
DocId:34637333 Page 76

for Lisbon, Portugal by Pan American Clipper. I ascertained later on Wednesday, September 20, that the Clipper had been forced down at Bermuda by bad flying weather but would probably continue its flight.

Considerable pressure was brought by Davis to have accompany him on his trip to Europe Mrs. Davis and Davis' secretary, Erna Freida Wehrle. The State Department however refused to grant passports to these two individuals. According to Mr. Berle there was involved in this picture in some undisclosed way an individual described as J. Walter Jones who appears however actually to be Walter A. Jones who maintains an office at the Mayflower Hotel in Washington. Mr. Berle stated that John L. Lewis had interceded with the President in an effort to have a passport granted to Miss Wehrle and the State Department is of the opinion that possibly this woman is the actual representative of the German government through whom these negotiations have been carried on. Mr. Berle in the information initially furnished to me said that the Wehrle woman was the secretary to Walter A. Jones but it appears obvious that from collateral information obtained she is actually the secretary to Davis.

As indicated, the President attached no particular significance to this story of Davis because of the President's attitude toward Davis and also because Davis produced no documentary evidence or even copies of any telegrams, cablegrams or other communications to substantiate his story. On September 19 however John L. Lewis in his own handwriting addressed a note to the President stating, "herewith the copy of radiogram rec'd New York this morning." The radiogram transmitted with Mr. Lewis' note was a typewritten message on plain paper exactly as set out hereafter:

"RADIOGRAM
(Sent in private code)

BERLIN, GERMANY

SEPTEMBER 19, 1939

DAVIS

ASK LISBON HOTEL VICTORIA FOR TRANSPORTATION ROME, ALL PREPARED. (1) AGREE COMPLETELY NEGOTIATIONS ROOSEVELT ON AUGUST BASIS DISCUSSED WITH YOU. (II) NEW ARRANGEMENTS

NW 63226
DocId:34637333 Page 77

FAR EAST IMPORTANT FOR UNITED STATES GOVERNMENT. (III) CAN ASSURE ABSOLUTE APPEASEMENT AFTER POLAND WAR IF NEW COMBINATION HERE IS ASSISTED BY NEUTRAL UNITED STATES OF AMERICA GOVERNMENT. TRY TO GET WASHINGTON REMAIN STRICTLY NEUTRAL WITHOUT ANY REVISION OF THE PRESENT NEUTRALITY ACT UNTIL AFTER YOUR MEETING HERE BECAUSE MAY BE IMPOSSIBLE CHANGE AFTER REVISION ONCE MADE. EXPLAIN TO WASHINGTON AT ONCE EVERY SALE TO BELLIGERENT NATIONS MEANS DESTROYING OF CARGO WHICH MAY LEAD TO WAR. THEREFORE PRESENT SITUATION SHOULD BE HELD IN ABEYANCE UNTIL AFTER MEETING.

GRAF
(HERTSLET)

Explanations to Sections I, II, and III

(I) Similar to sixteen point
(II) Germany will follow Washington's desires regarding this matter.
(III) New government - Goering its head."

This message indicated to the President that Davis had actually been in communication with Hertslet at least about the President's serving as the arbitrator in negotiations and accordingly he requested Mr. Berle to have the Bureau conduct a discreet investigation for the purpose of endeavoring to develop any facts which would substantiate or disprove Davis' statement. The President also requested information concerning the background of the Wehrle woman.

Mr. Berle emphasized the fact that this situation was known to no one other than the four persons participating therein.

Respectfully,

E. A. Tamm

NW 63226
DocId:34637333 Page 78

copy-w

The President

Herewith the copy of radiogram rec'd New York this morning.

Sincerely

/s/ John L. Lewis

9/19/39

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HEREIN IS UNCLASSIFIED
DATE 4/28/98 BY SP/alc/mm

2 copies destroyed -3 o

RADIOGRAM
(Sent in private code)

BERLIN, GERMANY

SEPTEMBER 19, 1939

DAVIS

ASK LISBON HOTEL VICTORIA FOR TRANSPORTATION ROME, ALL PREPARED. (1) AGREE COMPLETELY NEGOTIATIONS ROOSEVELT ON AUGUST BASIS DISCUSSED WITH YOU. (II) NEW ARRANGEMENTS FAR EAST IMPORTANT FOR UNITED STATES GOVERNMENT. (III) CAN ASSURE ABSOLUTE APPEASEMENT AFTER POLAND WAR IF NEW COMBINATION HERE IS ASSISTED BY NEUTRAL UNITED STATES OF AMERICA GOVERNMENT. TRY TO GET WASHINGTON REMAIN STRICTLY NEUTRAL WITHOUT ANY REVISION OF THE PRESENT NEUTRALITY ACT UNTIL AFTER YOUR MEETING HERE BECAUSE MAY BE IMPOSSIBLE CHANGE AFTER REVISION ONCE MADE. EXPLAIN TO WASHINGTON AT ONCE EVERY SALE TO BELLIGERENT NATIONS MEANS DESTROYING OF CARGO WHICH MAY LEAD TO WAR. THEREFORE PRESENT SITUATION SHOULD BE HELD IN ABEYANCE UNTIL AFTER MEETING.

GRAF
(HERTSLET)

Explanations of Sections I, II, and III

(I) Similar to sixteen point
(II) Germany will follow Washington's desires regarding this matter.
(III) New government - Goering its head.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 4/28/98 BY SP2 alc/sr

NW 63226
DocId:34637333 Page 80

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

CHC:LCB:CJ

October 2, 1939

MEMORANDUM FOR THE DIRECTOR

RE: WILLIAM RHODES DAVIS - ESPIONAGE

I am transmitting herewith a memorandum summarizing completely the up-to-date developments with regard to the investigation being conducted concerning the above matter.

This memorandum sets forth in summarized form the information obtained to date concerning Davis' background and activities, as well as all available information obtained to date concerning the associates of Davis. The investigation is being continued as expeditiously as possible and interested divisions are furnishing teletype summaries and reports to the Bureau as rapidly as possible.

It will be noted that to date 2950 telegrams sent and received by Davis and his company have been obtained and a detailed study made with regard to a number of these, which are in code, in the Technical Laboratory, with regard to the effort to decipher same. It has not been possible to completely break down the code used as yet and efforts in this respect are being continued at the present time.

Respectfully,

E. A. Tamm.

RECORDED
65-1162-23
FEDERAL BUREAU OF INVESTIGATION
OCT 3 1939
U. S. DEPARTMENT OF JUSTICE

Enclosure

1 ENCL.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 4-28-98 BY SP alcc/nm

Letter to Mr Berle 10-3-39

NW 63226
DocId:34637333 Page 81

RECORDED 65-1168-12 October 3, 1939

~~Personal and Strictly Confidential~~

Honorable Adolf A. Berle, Jr.
Assistant Secretary of State
Washington, D. C.

Dear Mr. Berle:

I am transmitting herewith a memorandum summarizing the developments to date with regard to the investigation which has been conducted of William Rhodes Davis.

This memorandum sets forth in summarized form information concerning Davis' background and activities, as well as all available information concerning the associates of Davis. The investigation is being conducted as expeditiously as possible.

It will be noted that to date 2,950 telegrams sent and received by Davis and his company have been obtained and a detailed study made with regard to a number of these - which are in code - in our Technical Laboratory, with regard to efforts to decipher them. It has not been possible completely to break down the code used as yet, but efforts in this respect are being continued at the present time. Just as soon as additional information is received, I will see that it is placed in your hands.

With expressions of my very best regards, I am

Sincerely yours,

John Edgar Hoover

Mr. Tolson
Mr. Nichols
Mr. H. A. Glavin
Mr. Clegg
Mr. Lodd
Mr. Coffey
Mr. Egan
Inclosure.
Mr. Gurnea
Mr. Harbo
Mr. Hester
Mr. Newton
Mr. Quinn
Mr. Tamm
Mr. Trotter
Mr. Carter
Miss Gandy

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP(S) OF Dec 1955
DATE 5-1-78

By Special Messenger 10:15 a.m. 10-3-39

DECLASSIFIED BY 2709 DPS/ldf
ON 4-11-78

Ltr. Mr. Berle; req. I regarded to be placed in other Davis files unofficial file

NW 63226
DocId:34637333 Page 82

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

CHC:LCB

September 26, 1939

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Seare
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

MEMORANDUM FOR THE DIRECTOR

Re: WILLIAM RHODES DAVIS
ESPIONAGE

I am transmitting herewith a memorandum summarizing completely the up to date developments with regard to the investigation being conducted concerning the above matter.

This memorandum sets forth in summarized form the information obtained to date concerning Davis' background and activities, as well as all available information obtained to date concerning the associates of Davis. The investigation of this matter is continuing as expeditiously as possible and all interested divisions are furnishing teletype summaries with regard to information obtained. It will be noted that the large numbers of coded messages sent and received by Davis are presently being studied relative to the possibility of deciphering same.

Respectfully,

E. A. TAMM

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11-28-78 BY SP2 alc/mm

65-1168-73

TOLSON
TWO

NW 63226
DocId:34637333 Page 83

CHC:LCB:CJ

October 2, 1939

MEMORANDUM

RE: WILLIAM RHODES DAVIS

Information is summarized hereinafter concerning the activities of William Rhodes Davis, an oil promoter, President of Davis and Company, Incorporated, a Nevada corporation with offices at 30 Rockefeller Plaza, New York City, which Company, among other activities, is engaged in handling sales of expropriated Mexican oil and petroleum products to Germany.

It is known that Davis on the morning of September 20, 1939, left New York City via Pan American Clipper en route to Lisbon, Portugal, traveling alone. It is further known that Davis had originally requested the Pan American Airways for passage to Rome, Italy, but was advised by the Pan American officials that such passage could not be furnished. Erna Frieda Wehrle, Davis' secretary, had originally made reservations to accompany Davis on the above flight, these reservations having been suddenly cancelled by Miss Wehrle prior to Davis' departure. The Clipper was subsequently grounded at Bermuda due to bad flying conditions. Subsequent information, however, indicated that the flight was resumed and that Davis actually reached Lisbon, Portugal, it being ascertained that he had previously requested the Italian Government to facilitate his obtaining passage from Lisbon, Portugal, to Rome, Italy.

In connection with the above journey, it has been ascertained that the following radiogram was received by Davis at New York City on September 18, 1939, same having been transmitted over the facilities of the RCA Communications, Incorporated, New York City:

"BERLIN SEPT. 18 ASK LISBON HOTEL VICTORIA FOR TRANSPORT ROME ALL PREPARED STOP AGREED COMPLETELY DIAGNOSE SPIESS ON AUGUST BASIS. NEW ARGUMENTS ARRANGEMENTS FAR EAST IMPORTANT FOR OBERIN STOP SEE POSSIBILITY ABSOLUTE APPEASEMENT AFTER POLANDESPE IF NEW COMBINATION HERE IF ASSIST BY WEIZSAECKEROBERIN STOP TRY TO GET INFLUENCE IN BORDEAUX IN DIRECTION STRICT WEIZIN WITHOUT ANY REVISION OF THE ACT BEFORE MEETING DAY BECAUSE MAY BE TOO LATE TO

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Headon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

65-1168-73

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 4-18-91 BY SP4 [illegible]

NW 63226
DocId:34637333 Page 84

"CHANGE READY DECLARATION STOP TAKE CONNECTION WITH DORAH AT ONCE EACH SELLING TWO GERSTENMATION MEANS DESTROYING OF BIDOM AND AFTER THIS ESPE. GRAF."

It will be recalled that John L. Lewis previously furnished a document purporting to be a translation of a radiogram allegedly sent to Davis from Berlin, Germany, in private code on September 19, 1939, the translation being as follows:

"ASK LISBON HOTEL VICTONIA FOR TRANSPORTATION ROME, ALL PREPARED (I) AGREE COMPLETELY NEGOTIATIONS ROOSEVELT ON AUGUST BASIS DISCUSSED WITH YOU. (II) NEW ARRANGEMENTS FAR EAST IMPORTANT FOR UNITED STATES GOVERNMENT. (III) CAN ASSURE ABSOLUTE APPEASEMENT AFTER POLAND WAR IF NEW COMBINATION HERE IS ASSISTED BY NEUTRAL UNITED STATES OF AMERICA GOVERNMENT. TRY TO GET WASHINGTON TO REMAIN STRICTLY NEUTRAL WITHOUT ANY REVISION OF THE PRESENT NEUTRALITY ACT UNTIL AFTER YOUR MEETING HERE BECAUSE MAY BE IMPOSSIBLE TO CHANGE AFTER REVISION ONCE MADE. EXPLAIN TO WASHINGTON AT ONCE EVERY SALE TO BELLIGERENT NATIONS MEANS DESTROYING OF CARGO WHICH MAY LEAD TO WAR. THEREFORE PRESENT SITUATION SHOULD BE HELD IN ABEYANCE UNTIL AFTER MEETING. GRAF (HERTSLET)....."

The radiogram as set forth above transmitted on September 18, 1939, is very apparently the same as that furnished by Mr. Lewis. It should be further noted in connection with the above mentioned journey of Davis that on September 19, 1939 Davis transmitted a radiogram to Joachim Hertslet, Princhanjerystr 31, Berlin-Zehlendorf, as follows:

"CONTENTS YOUR CABLE DISCUSSED WITH SPIESS WHO IN PERFECT AGREEMENT STOP WHICH ACT WILL BE ONLY PROPAGANDA INSTRUMENT REASONS WILL EXPLAIN ON ARRIVAL STOP BE SURE HAVE EVERY POINT COVERING ADJUSTMENT READY IN ORDER AVOID UNNECESSARY CONVERSATIONS THEREBY ELIMINATING DELAY STOP THIS SIDE READY PROVIDING FLEXIBILITY WITH YOU STOP ATTEMPTING GET SPECIAL PERMISSION CHRYSANTHEMUM Z ACCOMPANY ME

BARON."

It is believed that the above message may be decoded as follows:

NW 63226
DocId:34637333 Page 85

"CONTENTS YOUR CABLE DISCUSSED WITH (FRANKLIN D. ROOSEVELT) WHO IN PERFECT AGREEMENT STOP (NEUTRALITY) ACT WILL BE ONLY PROPAGANDA INSTRUMENT REASONS WILL EXPLAIN ON ARRIVAL STOP BE SURE HAVE EVERY POINT COVERING ADJUSTMENT READY IN ORDER AVOID UNNECESSARY CONVERSATIONS THEREBY ELIMINATING DELAY STOP THIS SIDE READY PROVIDING FLEXIBILITY WITH YOU STOP ATTEMPTING GET SPECIAL PERMISSION (ERNA WEHRLE) ACCOMPANY ME

(DAVIS)."

The following radiogram was received by Davis on September 11, 1939, the same having been transmitted over the facilities of RCA Communications, Incorporated, from Berlin, Germany:

"THANKS CABLE TEN STOP NOW ANSWER CABLE FIVE MUTTER MEXICO MEYER READY TO FOLLOW ALL PROMISES FROM FRUECHTE JOBS STOP FURTHER FRUECHTE DELIVERIES HERE INTENDED OVER BARON ACCORDING TO EMIL PROPOSAL VIA PETER EMIL THEN DELIVERS CIF MEYER FOB STOP RESULTS OF DOSIERUNG DELIVERIES ON SUEDAMERO AT LEAST 6,000,000 PUDER ALMOST ONLY FOR DISILLUSION OF SUBACCOUNT AND LUFT STOP FURTHER DELIVERIES WILL BE USED FOR SAME PURPOSE STOP MEYER READY TO SELL ERICH MASS TAMPICO BUT ONLY AGAINST NEW LUFT STOP KIRCHE GET NOW BIDON PITERSON KNUTSEN RACINE STOP NECESSARY BARON TO COME 26 SEPT ROME TO MEET ARZT GRAF STOP ARZT READY TO BE BOSS HERE GRAF."

The above radiogram was very apparently transmitted in personal code, and efforts to decode same have not been entirely successful to date. The following is a probable decode of the above message, the code words not decoded being underlined:

"DGG/BJ BERL INZEHLENDORF PR 983 1939 Sep. 11 PM 9 18
108 12 0005 1/50
DAVCON NEWYORK

THANKS CABLE 10 STOP NO ANSWER CABLE 5 MUTTER MEXICO MEYER READY TO FOLLOW ALL PROMISES FROM FRUECHTEJOBS STOP FURTHER FRUECHTE DELIVERIES HERE INTENDED OVER (DAVIS) ACCORDING TO EMIL PROPOSAL VIA PETER EMIL THEN DELIVERS CIF MEYER FOB STOP RESULTS OF DOSIERUNG DELIVERIES ON SUEDAMERO AT LEAST 6000000 PUDER ALMOST ONLY FOR DISSOLUTION OF SUBACCOUNT AND LUFT STOP FURTHER DELIVERIES WILL BE USED FOR SAME PURPOSE STOP MEYER READY TO SELL ERICH MASS TAMPICO BUT ONLY AGAINST NEW (AIR) STOP KIRCHE GETS NOW (CARGO) PEDERSEN KNUTSEN RACINE STOP.
(A BOAT) (BOAT) (BOAT)

NW 63226
DocId:34637333 Page 86

"NECESSARY (DAVIS) TO COME 26 SEPT ROME TO MEET (DOCTOR, POSSIBLY GOERING) (HERTZLET) (DOCTOR, POSSIBLY GOERING) READY TO BE BOSS HERE.

(HERTZLET)"

Additional radiograms of possible significance in connection with this matter sent and received by Davis are set forth hereinafter, each message being followed with a suggested decode. The underlined words in the various decodes are code words which have not been decoded to date.

"DGGDU BERLIN 4063 1939 SEP 8 PM 7 08
16 8 2010
DAVCOM NEWYORK

ALL WELL NOW ESPE IN EAST SUCCESS KLEIE NEXT DAYS MORE SEARCHING FOR BEST WEIZENCOUNTRY

HERZIE."

Decode:

"ALL WELL NOW (WAR) IN EAST SUCCESS KLEIE NEXT DAYS MORE SEARCHING FOR BEST (NEUTRAL) COUNTRY

HERZIE."

"SDBRJ SW5183 1939 SEP 9
MAIMO 87/86 8 1905
NLT DAVCOM
NEWYORK

LA OWNERS FENERALIIX UNWILLING ACCEPT NEEFS INSTRUCTIONS TRANSFER CHARTERPARTIES STOP WE UNDERSTAND PEDERSEN RACINE PROCEEDING MALMOE STOP POLYKARP UNDER CHARTER BY RAFFINAJUL WITH WHOM ENDEAVORING COMMUNICATE STOP ANNAKNUDSEN OWNERS CLAIM FOR NEW CHARTER SWEDISH KRONOR TWENTY PER TON PLUS WARINSURANCE VESSEL PLUS WARBONDS CREWS STOP ONE HALF

(Not signed)

Decode:

"LA OWNERS FENERALIIX UNWILLING ACCEPT NEEFS (KARL)
(CO. FILE NO. OF CABLE)

NW 63226
DocId:34637333 Page 87

"INSTRUCTIONS TRANSFER CHARTERPARTIES STOP WE UNDERSTAND PEDERSEN (A BOAT) RACINE PROCEEDING MALMOE STOP POLYKARP UNDER CHARTER BY (A BOAT) (A CITY) (A BOAT) RAFFINAJUL WITH WHOM ENDEAVORING COMMUNICATE STOP AMNAKNUDSEN (A BOAT) OWNERS CLAIM FOR NEW CHARTER SWEDISH KRONOR TWENTY PER TON PLUS WAR INSURANCE VESSEL PLUS WAR BONDS CREWS STOP ONE HALF.

(Not signed)."

"JOACHIM HERTSLET 1939 SEP 9 PM
PRINZHANDJERY STRASSE 31
BERLIN-ZEHLENDORF (GERMANY)

THANKS CABLE CONTRATULATIONS SUCCESS STOP SEE OUR CABLE GUSTAF FOURTH SENT THROUGH FUERST ALSO OUR 48B TO EUROTANK STOP MEDIZIN SITUATION HERE AT BREAKING POINT APPRECIATE WHATEVER YOU CAN DO REGARDS FROM ALL CRYSTHEMUM SENDS GREETINGS AND UNDERSTANDS

DAVIS."

Decode:

"THANKS CABLE CONGRATULATIONS SUCCESS STOP SEE OUR CABLE GUSTAF FOURTH SENT THROUGH FUERST ALSO OUR 48B TO EUROTANK STOP (ADVANCE FUNDS) SITUATION HERE AT BREAKING POINT APPRECIATE WHATEVER YOU CAN DO REGARDS FROM ALL (ERNA WEHRLE) SENDS GREETINGS AND UNDERSTANDS.

DAVIS."

"1939 SEP 12 PM 9 20

NLT JOACHIM HERTSLET PRINZHANJERYSTRAUSSE 31 BERLIN-ZEHLENDORF WILL MEET FRANZI FRIDAY AND ADVISE HIS DISPOSITION REFERENCE YOUR CABLE ELEVENTH STOP YOURS TENTH OVER MUTTER CAN SHIP FROM MEXICO OR USA ONLY AGAINST HOLZ FOB TO YOUR ORDERS STOP PRICES LOW PLATTS OILGRAM USGULF WHICH IS TODAY ABOUT 3 3/4 CENTS PER GALLON STOP CABLE LOWEST AND HIGHEST PRICE YOU EXPECT OBTAIN FOR MASS MEXICO STOP LEAVING CLIPPER NEWYORK TWENTIETH MEET GRAF ARTZ GRANDHOTEL ROME STOP MASSNAT STILL SHAKY

DAVIS."

NW 63226
DocId:34637333 Page 88

Decode:

"WILL MEET FRANZI FRIDAY AND ADVISE HIS DISPOSITION REFERENCE YOUR CABLE ELEVENTH STOP YOURS TENTH OVER MUTTER CAN SHIP FROM MEXICO OR USA ONLY AGAINST (A KIND OF MONEY) FOB TO YOUR ORDERS STOP PRICES LOW PLATTS OILGRAM U.S. GULF WHICH IS TODAY ABOUT 3 3/4 CENTS PER GALLON STOP CABLE LOWEST AND HIGHEST PRICE YOU EXPECT OBTAIN FOR MASS MEXICO STOP. LEAVING CLIPPER NEW YORK TWENTIETH MEET (HERTZLET) (POSSIBLY GOERING) GRAND HOTEL ROME STOP (FIRST NATIONAL BANK OF BOSTON) STILL SHAKY.

DAVIS."

"NLT SEPT 13 1939
JOACHIM HERTSLET
PRINZHANJERSTRASSE 31
BERLIN ZEHLENDORF

HAVE THREE BIDONS LUFT FOR IMMEDIATE DELIVERY WEIZEN COUNTRY AGAINST MEDIZIN AND BELIEVE CAN FURNISH ADDITIONAL BIDONS IF AM INSTRUCTED PURCHASE CAN CONTINUE MONTHLY FROM THREE TO SEVEN BIDONS STOP MEDIZIN NECESSARY STABILIZE APOTHEKER SPALTUNG SITUATION IS LIQUIDATION KOMMODE APPROXIMATELY 461000 HOLZ AND PAYMENT BIDONS FOR VALUE RACINE PETTER POLYKARP KNUDSEN EUROFELD APPROXIMATELY 550000 HOLZ TOTAL APPROXIMATELY ONEMILLION HOLZ STOP BORDEAUX THURSDAY MEXICO FRIDAY HOUSTON SATURDAY NIGHT NEWYORK MONDAY NOON STOP ASK EUROTANK ANSWER OUR NLT TENTH RE HAMSUD

BARON."

(Chg: Davis & Co. Incorp., Rm. 5440 RCA Bldg.)

Decode:

"RCA

HAVE THREE (CARGOES) LUFT FOR IMMEDIATE DELIVERY (NEUTRAL) COUNTRY AGAINST (PROBABLY 'ADVANCE FUNDS') AND BELIEVE CAN FURNISH ADDITIONAL (CARGOES) IF AM INSTRUCTED PURCHASE CAN CONTINUE MONTHLY FROM THREE TO SEVEN (CARGOES) STOP (PROBABLY 'ADVANCE FUNDS') NECESSARY STABLIIZE (POSSIBLY A FINANCIAL ACCOUNT) SPALTUNG SITUATION IS LIQUIDATION KOMMODE APPROXIMATELY 461000 (A KIND OF MONEY) AND PAYMENT (CARGOES) FOR VALUE RACINE PETTER POLYKARP KNUDSEN EUROFELD (BOATS)

NW 63226
DocId:34637333 Page 89

"APPROXIMATELY 550000 (A KIND OF MONEY) TOTAL APPROXIMATELY ONE-
MILLION (A KIND OF MONEY) STOP (WASHINGTON) THURSDAY MEXICO FRIDAY
HOUSTON SATURDAY NIGHT NEW YORK MONDAY NOON STOP ASK EUROTANK
ANSWER OUR NLT TENTH ME HAMSUD

(DAVIS)."

"DGGWR BERLIN PR2388 SEP 13 AM 9 27
68/64 13 1211

LC DAVCOM NEWYORK

SITUATION HERE ASKS FOR YOUR ACCEPTING BORDEAUX OFFERED POSITION GRAF ON THE WAY BECOMING MEYER REPRESENTATIVE TO OBERIN STOP TELL ME MEDIZINSUM NECKSSARY TO STABILIZE APOTHEKE FINANCIAL SITUATION TO FURTHER OPERATIONEN INSIST ON TROMBOSE STOP TELL LUFT QUANTITY POSSIBLE DELIVER AT ONCE WEIZENPORTS AGAINST MEDIZIN STOP SPEND INDEFINITE DISPOSE NOW LONGTIME BASIS STOP WOULD LIKE GETTING LETTER FROM DUNG FOR BEYER

GRAF."

Decode:

"SITUATION HERE ASKS FOR YOUR ACCEPTING (WASHINGTON) OFFERED POSITION (HERTZLET) ON THE WAY BECOMING MEYER REPRESENTATIVE TO (UNITED STATES OF AMERICA) STOP TELL ME (AMOUNT OF MONEY, OR ADVANCE FUNDS) NECESSARY TO STABILIZE (POSSIBLY A FINANCIAL ACCOUNT) FINANCIAL SITUATION TO FURTHER OPERATIONEN INSIST ON TROMBOSE STOP TELL LUFT QUANTITY POSSIBLE DELIVER AT ONCE (NEUTRAL) PORTS AGAINST (ADVANCE FUNDS) STOP SPEND INDEFINITE DISPOSE NOW LONGTIME BASIS STOP WOULD LIKE GETTING LETTER FROM (POSSIBLY WALTER A JONES) FOR BEYER

(Hertzlet)."

"MP DGG BERLIN PRK 4218 1939 SEP 14 PM 3 40
46 14 1932
LC DAVCOM NEWYORK

THREE FELLOWS FIRED NOW INVESTIGATION STARTS TODAY ALL

NW 63226
DocId:34637333 Page 90

"DOCUMENTS BARON GETS ROME AVOID STRICTLY TO GIVE CABLES
EXCEPT CHRYSTEMUM LANGUAGE OR OVER PETER MEXUSA STOP
STAY DUTCHY TOMORROW IS IT POSSIBLE GET OFFICIAL INVITATION
VIA WALTER DUNG FROM NUMBER ONE AT ONCE

GRAF."

Decode:

"THREE FELLOWS FIRED NOW INVESTIGATION STARTS TODAY ALL
DOCUMENTS (DAVIS) GETS ROME AVOID STRICTLY TO GIVE CABLES
EXCEPT (ERNA WEHRLE) LANGUAGE OR OVER PETER MEXUSA STOP
STAY (POSSIBLY LUXEMBOURG) TOMORROW IS IT POSSIBLE GET OFFICIAL
INVITATION VIA WALTER (POSSIBLY WALTER A JONES) FROM NUMBER
ONE AT ONCE

(HERTZLET)."

"ORDGSBN 3033
LUXEMBOURG 26 16 0930
NLT DAVCOM NEWYORK

FOUND HERE ACCOUNT 60000 DOLLARS AVAILABLE ONLY THROUGH
TWINS HERMANN COMING FOURTHNIGHT AGO FROM ROTTERDAM BANK
BALANCE BOOKS OPETE YOU GET ROME

HERZIE."

Decode:

"FOUND HERE ACCOUNT 60000 DOLLARS AVAILABLE ONLY THROUGH
TWINS HERMANN COMING FOURTHNIGHT AGO FROM ROTTERDAM BANK
BALANCE BOOKS OPETE YOU GET ROME

HERZIE."

"SEPTEMBER 18, 1939
JOACHIM HERTZLET
PRINZHANJERYSTR 31
BERLIN-ZEHLENDORF

NW 63226
DocId:34637333 Page 91

"HAVE YOU DONE ANYTHING REGARDING RESERVATIONS FROM LISBON TO ROME STOP WE UNABLE MAKE ARRANGEMENTS HERE

BARON."

Decode:

"HAVE YOU DONE ANYTHING REGARDING RESERVATIONS FROM LISBON TO ROME STOP WE UNABLE MAKE ARRANGEMENTS HERE.

(DAVIS)."

"DFARE BERLIN 326 15/14 18 1248 1939 SEP 18
LC DAVCOM NYK

WEHRLE GRAF NEEDS ROME STATEMENT ALL ACTUAL DEVISENPAYMENTS MADE TO EUROPE

(not signed)."

Decode:

"(WEHRLE) (HERTZLET) NEEDS ROME STATEMENT ALL ACTUAL (ADVANCE FUND) PAYMENTS MADE TO EUROPE.

(Not signed)."

"DOONU FRK 1007 SEPT 18 PM 6 44
BERLIN 63 18 2220 1/50
LC DAVCOM NEWYORK

ASK LISBON HOTEL VICTORIA FOR TRANSPORT ROME ALL PREPARED STOP AGREED COMPLETELY DIAGNOSE SPIESS ON AUGUST BASIS NEW ARGUMENTS ARRANDEMENTS FAR EAST IMPORTANT FOR OBERIN STOP SEE POSSIBILITY ABSOLUTE APPEASEMENT AFTER POLANDESPE IF NEW COMBINATION HERE IF ASSIST BY WEIZENOBERIN STOP TRY TO GET INFLUENCE BORDEAUX IN DIRECTION STRICT WEIZEN WITHOUT ANY REVISION OF THE ACT BEFORE MEETINGDAY BECAUSE MAY BE TOO LATE TO CHANGE READY DECLARATION STOP TAKE CONNECTION WITH DORAH ATONCE EACH SELLING TO GERSTENMATION MEANS DESTROYING OF HIDON AND AFTER THIS ESPE

GRAF."

NW 63226
DocId:34637333 Page 92

Decode:

"ASK LISBON HOTEL VICTORIA FOR TRANSPORT ROME ALL PREPARED STOP AGREED COMPLETELY (NEGOTIATIONS) (FRANKLIN D. ROOSEVELT) ON AUGUST BASIS NEW ARGUMENTS (ARRANGEMENTS) FAR EAST IMPORTANT FOR (U.S.A.) STOP SEE POSSIBILITY ABSOLUTE APPEASEMENT AFTER (POLAND WAR) IF NEW COMBINATION HERE IF ASSIST BY (NEUTRAL U.S. OF A.) STOP TRY TO GET INFLUENCE (WASHINGTON) IN DIRECTION STRICT (NEUTRALITY) WITHOUT ANY REVISION OF THE ACT BEFORE MEETING DAY BECAUSE MAY BE TOO LATE TO CHANGE READY DECLARATION STOP TAKE CONNECTION WITH DORAH AT ONCE EACH SELLING TO (BELLIGERENT NATION) MEANS DESTROYING OF (CARGO) AND AFTER THIS (WAR)

(HERTSLET)."

"HERTSLET SEPT 20 1939
PRINZHANDJERYSTR 31
BERLIN ZEHLENDORF - GERMANY -

DAVIS DEPARTED TODAY ALONE TAKE GOOD CARE OF HIM

CHYSANTHEME."

Decode:

"DAVIS DEPARTED TODAY ALONE TAKE GOOD CARE OF HIM

(Erna Wehrle)."

"JOACHIM HERTSLET SEPT 20 1939
PRINZHANDJERYSTR 31
BERLIN ZEHLENDORF - GERMANY -

YOUR NLT RECEIVED AFTER DEPARTURE BARON STOP WE UNAWARE MEDIZIN ACCOUNT FRANKUS 21000 DISCUSS WITH BARON POSSIBILITY THIS TRANSFER STOP UNABLE UNDERSTAND YOUR NUMBER REFERENCES REGARDING BIDONS ALSO DISCUSS BARON

CHRYSANTHEME."

NW 63226
DocId:34637333 Page 93

Decode:

"YOUR NIGHT LETTER TELEGRAM RECEIVED AFTER DEPARTURE (DAVIS) STOP WE UNAWARE (ADVANCE FUNDS) ACCOUNT FRANKUS Z1000 DISCUSS WITH (DAVIS) POSSIBILITY THIS TRANSFER STOP UNABLE UNDERSTAND YOUR NUMBER REFERENCES REGARDING CARGOES ALSO DISCUSS (DAVIS)

(ERNA WEHRLE)."

"BERLIN DEN 101 /1001/51 19 2332 (not dated)
HLT DAVCOM NEWYORK

GRAF TRANSFERRING 460000 HOLZ KOMMOLE STOP BIDONS AUGUST LIFTING SCHEDULE NO 1 PAYMENT BAECKER NO 4 MEDEZIN 5 12 PAYMENT FROM WEIZEN COUNTRIES 10 11 13 NOT YET DISCHARGED WHAT ABOUT 15 AND NO 5 SEPTEMBER SCHEDULE STOP NECESSARY PURCHASING WAHNSINN AGAINST MEDEZIN MORE MUTTER EMIL STOP HAMSUD CANNOT PAY INVOICES MOMENTARY GRAF SUGGEST USE HOLZ 21809,30 PRIVATS MEDEZIN ACCOUNT BARON WITH FRACUS STOP NO SOERENSEN ANKER EXPECTABLE EXPLAINING ROME STOP RE SHEET KLEIE CAN YOU ARRANGE FOR KLEIE TO EMIL ACCORDING DIAGNOSE FRANZI FOB WEIZENPORT AS EMIL PROPERTIES STOP WILL DISCUSS LUFT BIDONS KIRCHE ROME

GRAF."

Decode:

"HERTZLET TRANSFERRING 460000 (A KIND OF MONEY) KOMMODE STOP (CARGO) AUGUST LIFTING SCHEDULE NO 1 PAYMENT BAECKER NO 4 (A KIND OF FUND) 5 12 PAYMENT FROM NEUTRAL COUNTRIES 10 11 13 NOT YET DISCHARGED WHAT ABOUT 15 AND NO 5 SEPTEMBER SCHEDULE STOP NECESSARY PURCHASING WAHNSINN AGAINST (FUND?) MORE MUTTER EMIL STOP HAMSUD CANNOT PAY INVOICES MOMENTARY (HERTZLET) SUGGEST USE (A KIND OF MONEY) 21809,30 PRIVATE CREDITS ACCOUNT DAVIS WITH (POSSIBLY A BANK) STOP NO SOERENSEN ANKER EXPECTABLE EXPLAINING ROME STOP RE SHEET KLEIE CAN YOU ARRANGE FOR KLEIE TO EMIL ACCORDING NEGOTIATIONS FRANZI FOB NEUTRAL POINT AS EMIL PROPERTIES STOP WILL DISCUSS LUFT CARGO KIRCHE ROME

(HERTZLET)."

NW 63226
DocId:34637333 Page 94

"DFE BERLIN 2898 39 20 2204
NLT DAVCOM NY

SEE CABLE KLINIK FROM EUROTANK AUGUST NINTH TWO PARTS OF ASSETS IN NORTHERN COUNTRIES ARE SOLD TODAY AS PROPOSED STOP ALL PREPARED HERE FOR YOU STOP PHONE MY PETER LISBON FOR RESERVATIONS IF NOTHING VIKTORIA

GRAF."

Decode:

"SEE CABLE KLINIK FROM EUROTANK AUGUST NINTH TWO PARTS OF ASSETS IN NORTHERN COUNTRIES ARE SOLD TODAY AS PROPOSED STOP ALL PREPARED HERE FOR YOU STOP PHONE MY PETER LISBON FOR RESERVATIONS IF NOTHING VIKTORIA

(HERTZLET)."

"W. R. DAVIS
HOTEL INVERURIE
BERMUDA

SEPT 21 1939

GRAF ADVISES ALL PREPARED THERE FOR YOU STOP TELEPHONE HIS PETER LISBON FOR RESERVATIONS IF NOTHING VICTORIA STOP ITALIAN AIRLINE ALSO CONFIRMED YESTERDAY RESERVATION FOR YOU STOP ACCORDING TO SCHEDULE WE HAVE HERE PLACE LEAVES LISBON FRIDAY TWO PM

WEHRLE."

Decode:

"(HERTZLET) ADVISES ALL PREPARED THERE FOR YOU STOP TELEPHONE HIS PETER LISBON FOR RESERVATIONS IF NOTHING VICTORIA STOP ITALIAN AIRLINE ALSO CONFIRMED YESTERDAY RESERVATION FOR YOU STOP ACCORDING TO SCHEDULE WE HAVE HERE PLANE LEAVES LISBON FRIDAY TWO PM

WEHRLE."

NW 63226
DocId:34637333 Page 95

It is known that approximately 2950 radiograms and cablegrams have been sent and received by Davis and Company, Incorporated and Davis in connection with his activities since September 1938. The vast majority of these radiograms and cablegrams appear to be concerned with the transaction of oil business in various locations throughout the world. It has been ascertained that some of the messages prior to September 8, 1939, refer to international politics possibly in relationship to the conduct of the oil business. Some of these messages are in code but the majority of the earlier messages are not coded. Prior to September 8, 1939 it has been noted that Davis and Company, Incorporated utilized a number of commercial code systems in connection with its messages. On September 8, 1939, a new form of coding appeared in a number of the messages for the first time and this latest and newest code has been used more or less consistently from September 8, 1939 to date. This appears to be a code word system, that is the use of a previously agreed upon code word usually registered by both the sender and the receiver in a code book which code word has a specific and previously agreed upon meaning. It has not been possible to date to definitely identify and decipher this new code word system. An exhaustive study in the above regard is being continued.

Davis has in the past been known to boast of his friendship with Adolf Hitler of Germany and Benito Mussolini of Italy. He is known to be associated in connection with the exportation of oil and petroleum products to Germany with one J. G. A. Hertslet, a prominent German official who is reported to have formerly been in charge of the German Youth Movement under the Nazi regime. In this connection, the records of the Pan American Airways reflect that Davis on July 31, 1938, accompanied by J. G. A. Hertslet, E. Briesehre, H. W. Wilson, and Erna Frieda Wehrle, took passage via Pan American Airways from Brownsville, Texas, to Mexico City. The records of the Pan American Airways reflect that Hertslet and Briesehre were traveling as German citizens with their passports and papers in order. Davis and others known to be associated with him in the oil business have visited Mexico City frequently during recent years and information obtained in the latter locality indicates that Davis left Mexico City upon the last occasion by Pan-American Airways on September 17, 1939, en route to New York City.

Confidential information obtained in Mexico City indicates that a Mexican company is apparently being organized in Mexico City by one Alberto Pani, apparently for the purpose of taking over the Davis and Company, Inc. contract with the Mexican Government. Information obtained in Mexico City

NW 63226
DocId:34637333 Page 96

through confidential sources indicates that messages are being transmitted from the office of Davis and Company, Inc. there to foreign countries by use of private radio. It is indicated that Danish and other vessels are being loaded with asphalt and petroleum products for Copenhagen, Denmark and other ports. Information from Mexico City which it has not been possible to verify as yet indicates the possibility that interned German steamship crews are using the radios of their respective vessels although such radios are supposed to have been dismantled upon internment.

Information obtained from confidential sources indicates that Walter A. Jones, prominent financier and industrialist of Pittsburgh, Pennsylvania, and Washington, D. C., who is presently vice president of the Plymouth Oil Company has been associated with Davis in various capacities for a number of years, together with one David Lawrence, also of Pittsburgh, both Jones and Lawrence being allegedly close friends of United States Senator Joseph Guffey. Information from the same source indicates that Senator Guffey, John L. Lewis and Walter A. Jones visited Mexico immediately prior to that country's action in connection with the expropriation of American and British oil properties.

The Secretary of War, Washington, D. C., received an anonymous letter dated June 21, 1938, suggesting that an investigation be conducted with regard to the activities of William Rhodes Davis, particularly as to the activities of Davis in connection with his alleged oil purchases in Mexico on behalf of the German Government. It was alleged in this communication that Davis is probably engaged in espionage activities.

NW 63226
DocId:34637333 Page 97

HISTORY AND KNOWN ACTIVITIES OF
WILLIAM RHODES DAVIS

William Rhodes Davis is 50 years of age, having been born February 10, 1889, at Montgomery, Alabama. Davis is married for the second time having been divorced from his first wife about seven years ago. He has two children living both young boys, one son, W. R. Davis, Jr., a Boston aviator, was killed in an airplane accident on October 15, 1933.

He was graduated from Stark University, a college preparatory school in Montgomery, Alabama, at the age of 16. Davis soon thereafter became a news "butcher" for the Union News Company on trains running out of southern cities and subsequently held a similar position on railroads operating out of Salt Lake City, Utah. Davis subsequently was employed as railway brakeman, locomotive fireman, also being sometime employed as comedian on a vaudeville circuit playing in western and southern cities. Davis is reported to have upon various occasions shipped on tramp steamers as stoker, fireman, etc. From 1903 to 1910 Davis was employed by the Texas-Pacific Railway as locomotive fireman. He subsequently became a locomotive engineer on the Missouri, Oklahoma and Gulf Railroad of Muskogee, Oklahoma, for a short period of time, following which he served as chief engineer in charge of construction for the same road. In the latter connection he managed the construction of a one hundred mile branch railway for the Missouri, Oklahoma and Gulf Railway. Davis became interested in the oil business as a promoter and prospector but did not resign his position with the Missouri, Oklahoma and Gulf Railway until 1912. He did, however, during 1914 become interested in a number of lead and zinc mines located in the vicinity of Joplin, Missouri. During the above period, Davis operated the Gauthier Mines, the Success Mines and the Baloona Mines. He has stated that he supervised the building of the first five hundred ton concentration camp in connection with lead mining ever erected. Davis is reported to have sold the above mentioned mining properties in 1916 or 1917 to the Kenefast Zinc Company which was financed by Pynchon and Company of New York, New York. Davis is reported to have received a considerable sum of money for the above mentioned mines although he apparently lost a considerable sum ofmoney in connection with ill-advised investments immediately following the above mentioned sale.

NW 63226
DocId:34637333 Page 98

In July, 1917, Davis enlisted in the United States Army at first serving in the Engineer Corps as a private stationed at Washington, D. C. He subsequently proceeded to Joplin, Missouri, where he recruited a regiment known as the 27th Engineers, this regiment being composed of miners and others experienced in trench work. Davis subsequently served at the Front in France being assigned to the 27th Engineers Allied Railway. He was promoted to Second Lieutenant and was later put in command of Companies A, B, C and E of the First Engineers and saw active service with the last mentioned command. Davis is reported to have received a bad wound in the leg during the War and is also reported to have lost his teeth as a result of a German bayonet thrust. Davis in 1919 returned to the United States from Europe and spent six months at the Fort Sheridan Hospital, Fort Sheridan, Illinois.

Following his discharge from the above hospital, Davis became interested in various oil companies near Shawnee, Seminole County, Oklahoma. His early operations in this field were apparently unsuccessful, and numerous civil judgments were obtained against him by creditors. In 1922, Davis was instrumental in forming the Malcona Petroleum Company, Incorporated, a Delaware Corporation, the headquarters of which were located at Tulsa, Oklahoma. In 1923, Davis formed the Davis-Malcona Corporation of Tulsa, Oklahoma. The latter Company went in receivership in August, 1924, following which Davis was found guilty of fraud, gross neglect, breach of trust, and wilful fraudulent mismanagement as president of the Company. A judgment was returned against Davis on this case in the amount of $169,123, this judgment being in favor of the stockholders of the Davis-Malcona Corporation.

In 1923 or 1924, Davis entered the employ of the British Mexican Petroleum Company, Limited, of London, England, and became very active in purchasing crude oil in the Mid-Continental Oil Field. The last mentioned company subsequently organized two subsidiaries, namely, the Crusader Oil Company and the Crusader Pipe Line Company. Davis became President and General Manager of both the last mentioned companies. During this period, Davis organized two additional companies, namely, the Crusader Oil Producing Company and the Crusader Pipe Line Company of Louisiana. Shortly after forming the latter concerns, Davis resigned from the British Mexican Petroleum Company, Ltd., and devoted his time to the Crusader Oil Producing Company and the Crusader Pipe Line Company of Louisiana, adding thereto a new company, namely, the Crusader Company, Incorporated. Davis was during the above period also interested in oil properties known as the Largo Petroleum Company in Venezuela and he is reported

NW 63226
DocId:34637333 Page 99

to have purchased in behalf of the British Mexican Petroleum Company, Ltd., a one-half interest in the Venezuela concern. Davis is reported to have received a salary of $50,000 per year from the British Mexican Petroleum Company, Ltd., and is reported to have received in addition thereto a total sum of $1,500,000 for his efforts in connection with the development and sale of its properties.

In June, 1925, Davis resigned from the Crusader Company, Incorporated and from the Crusader Oil Producing Company. On September 23, 1927, the last named company filed suit against Davis in Louisiana for $97,465, seeking to recover cash allegedly advanced to Davis. Judgment in the amount of $83,465 was obtained whereupon Davis appealed and the judgment was subsequently reversed. It is rumored that Davis later made a settlement in connection with the above claim. In 1925, Davis was instrumental in organizing the Crusader Pipe Line Company of Arkansas which was financed by outside capital, the purpose of this company being to lay 150 miles of pipe line from Smackover, Arkansas, to Vandalia, Missouri. Mortgage holders of the property of this company later foreclosed and the property was sold, a judgment being entered against the company at Shreveport, Louisiana, in the amount of $3,857,307. Between 1925 and 1928, numerous judgments were obtained in Shreveport, Louisiana, against Davis in connection with his transactions, most of these judgments having subsequently been outlawed by the Statute of Limitations.

It is reported that in 1926, Davis borrowed $500,000 from the Old Colony Trust Company of Boston, Massachusetts, and to have used the proceeds of the above loan in organizing the Arkansas Natural Gas Corporation which he is reported to have sold on January 5, 1928 at a total profit of $1,500,000. Davis is reported to have been interested during the above period in a Peruvian proposition involving a concession of mineral and oil producing land, as well as the construction of a large railroad in Peru. In August, 1931, Davis became interested in promoting the Pure Cheese Company at which time he became registered as a securities broker in Boston, Massachusetts, for the purpose of disposing of an issue of stock relating to the last mentioned company. The latter venture apparently met with little success and Davis apparently abandoned his stock brokerage activities returning to his activities in connection with the oil business. Davis formed a Massachusetts corporation known as Davis and Company and subsequently organized a Massachusetts corporation known as The Foreign Oil Company, the latter being succeeded by a Maine corporation of the same name. The Foreign Oil Company was expanded and through subsidiaries produced crude oil in Mexico, operated a refinery in Hamburg, Germany, and distributed petroleum products in Europe. The Foreign Oil Company represented an oil promotion development in connection with Vera Cruz, Mexico, oil lands.

NW 63226 DocId:34637333
Page 100

In 1936, The Foreign Oil Company was discontinued and liquidated, the assets being sold to the Crusader Petroleum Industries, Ltd., a British corporation. Davis disbanded the Massachusetts corporation known as Davis and Company on April 4, 1933, at which time he organized the company known as Davis and Company, Inc., a Nevada corporation of which he is president at the present time, this company having offices at 30 Rockefeller Plaza, New York City. A statement of the last mentioned company's affairs as of December 31, 1936, indicated at that time a poor financial condition it being indicated that Davis and Company, Incorporated, was conducting experimental development operations in the oil business. Two subsidiaries of Davis and Company, Incorporated, were subsequently formed both being wholly owned known as the Texas Crusader Oil, Inc., and Louisiana Crusader Oil, Inc. Three additional companies were later acquired same being the California Crusader Petroleum Inc., and the Meraux Terminal Corporation, also Davcom, S.A.

In about July, 1937, Davis and his associates purchased the property of the Fleet Horn Oil Corporation. These individuals then chartered a new company known as the Crusader Petroleum, Inc, one Langdon Dearborn being Vice President and General Manager. Davis also became interested in a large foreign organization headed by the Parent Petroleum Industries, Ltd., London, England.

The following is reported to be the alignment of the various companies in which Davis was interested as they existed on June 30, 1938:

1. Parent Petroleum Industries, Ltd., London, England, headed the pyramid with four directly owned subsidiaries, these being Crusader Petroleum, Inc. of New York City and Ada, Oklahoma, in which Davis and Company, Inc. was a minority stockholder; Crusader Petroleum Industries, Ltd., London, England; Irish National Refineries, Ltd. of London, England, and Dublin, Ireland; Tuspan Oil Company of Tampico, Mexico.

2. The Crusader Petroleum, Inc. of New York City and Ada, Oklahoma, in turn owned four subsidiaries, same being the Fleet Horn Oil Corporation, Euromax Oil Company, Inc., Texas Crusader Oil, Inc., Louisiana Crusader Oil Inc.

3. The Crusader Petroleum Industries, Ltd., in turn owned two subsidiaries, namely, the Europaische Tankleger and Transport A.G. which operated a refinery at Hamburg, Germany; also a company known as Svenska A.G., the name of which has been subsequently changed to Skanda-Tank A.G., which company has recently been engaged in marketing various types of equipment in Sweden.

NW 63226 DocId:34637333
Page 101

4. Davis and Company, Inc. was neither a subsidiary nor owner of any of the above companies, although it did own a minority interest in the Crusader Petroleum, Inc., also owning an undetermined interest in the Parent Petroleum Industries, Ltd. Davis and Company, Inc., however, owned three subsidiaries, namely, California Crusader Petroleum, Inc., Meraux Terminal Corporation, and the Davcom, S.A.

5. The Meraux Terminal Corporation operates an oil storage business at Meraux, Louisiana.

6. The Davcom S.A. is a Mexican corporation and is apparently utilized to handle the Mexican operations of the entire pyramid described above. This company is reported to be engaged in buying Petroleum equipment and machinery in Germany and bartering same in Mexico for oil and petroleum products exported to Germany and other countries.

7. The California Crusader Petroleum, Inc. owns leases on undeveloped oil lands in the State of California.

The Crusader Petroleum, Inc. of New York City and Ada, Oklahoma, referred to above as number two, is reported to own oil properties in the State of Oklahoma presently valued at $5,000,000. In connection with the information set forth above to the effect that the assets of the Foreign Oil Company were sold to the Crusader Petroleum Industries, Ltd. of London, in 1936, it should be noted that on June 29, 1938, action was brought into English Court, Queens Bench Division, before Justice Lewis against the Foreign Oil Company, W. R. Davis as President and against the Crusader Petroleum Industries, Ltd., and its Managing Director, one Henry W. Wilson, the plaintiffs being Carl Frederick Glad and Aktieselskabet Gica (in liquidation), both of Copenhagen, Denmark. The plaintiffs alleged conspiracy to cheat. Davis and Wilson were both found guilty on October 18, 1938, whereupon damages were awarded to the plaintiffs. Justice Lewis in handing down the decision described Davis as "an unscrupulous and ruthless financier whose testimony he could not accept."

The Parent Petroleum Industries, Ltd. mentioned above as number one is reported to have a capital in excess of four million pounds sterling, and this company in addition to operating refineries in Hamburg, Germany and valuable oil properties in Texas, Louisiana, and Mexico through the above described intricate pyramid of companies and subsidiaries, is also reported to own a large number of oil tankers and equipment. The principals in the Parent Petroleum Industries, Ltd. are reported to be in addition to Davis, Lord Inverforth and T. C. J. Burgess. Lord Inverforth is reputed to be

NW 63226 DocId:34637333
Page 102

one of the biggest shipping men in London, having served as Minister of Munitions for Great Britain during the World War. He is now reported to be Director of thirty-six of the largest companies in England, among them being Lloyd's Bank, Ltd., London, England.

T. C. J. Burgess is reported to be presently serving on the Boards of Directors of seven large English companies. Burgess is reported to be Chairman and Managing Director of the London and Thames Haven Coal Wharves, Ltd., which has a capital in the neighborhood of $20,000,000.

Press reports from New York City under date of June 16, 1939, indicate that the Mexican Government had completed a deal for the sale of ten million barrels of expropriated oil to the German Government, it being indicated that Davis and Company, Inc., was acting as the Agent of the Mexican Government in completing the above mentioned sale. Press dispatches also indicated that the above mentioned sale of oil to the German Government involved a barter arrangement whereby the oil would be paid for as follows: 40% in cash and 60% in German materials and products, principally machinery. It was indicated that Davis and Company would receive a 5% commission in connection with these negotiations. Additional press dispatches indicated that Davis and Company planned to liquidate a large block of German marks owned by such company and its subsidiaries by means of negotiating oil sales to the German Government in behalf of the Mexican Government.

It has been ascertained that during the winter of 1938-1939 large quantities of oil, distillate and petroleum products were being transported from Tampico, Mexico, to the Moreux Terminal Corporation, Moreux, Louisiana, and thence to the Eurotank Company, Hamburg, Germany, these shipments apparently being handled by Davis and Company, Inc. It has been ascertained that the First National Bank of Boston, Massachusetts, was apparently interested in financing the above deal by Davis and Company, Inc., it being indicated that this Bank held a large quantity of title documents relating to the shipments in question as security. It has been ascertained that Davis and Company, Inc., maintains banking accounts with the Chase National Bank of New York City and with the First National Bank of Boston, Massachusetts.

Neither W. R. Davis nor Davis and Company, Inc., are members of the American Petroleum Institute and the latter company has maintained offices at 30 Rockefeller Plaza, New York City, since 1934, having a good reputation with the renting office. Court records of Boston, Massachusetts, reflect that on January 5, 1933, an execution in the amount of $656.60 was entered against Davis in favor of Farber and Company for dress clothes purchased

NW 63226 DocId:34637333
Page 103

July 6, 1932. A Cadillac automobile, registration number 698,396 was attached. The records in the office of the Clerk of the Supreme Court, State of New York, reflect that on March 11, 1930, an action was brought in the New York State Court by the Pennsylvania Company for Insurance on Lives and Granting Annuities as trustees' executor against W. R. Davis, et al, charging Conspiracy to Defraud. The plaintiffs in the above action alleged that Davis and his associates had entered into a conspiracy to defeat a judgment returned in favor of the stockholders of the Davis-Malcona Corporation in Oklahoma in the amount of $169,123 in 1924, it being charged that Davis and his associates contemplated illegally moving property covered by the above judgment out of the State of New York. As a result of the above action a temporary injunction was granted whereby Davis and Davis and Company, Inc., were enjoined from moving any property out of the State of New York.

The above mentioned court records reflect the following officers for Davis and Company, Inc.:

William R. Davis, President
Pierce D. Watson, Vice President and General Manager
Austin B. Taylor, Vice President
Henry W. Wilson, Vice President
Karl F. Von Clemm, Vice President
N. V. Hansell, Vice President
James Lee Kauffman, Secretary
W. W. Van Allen, Treasurer and Assistant Secretary
Morris Geye, Assistant Treasurer

The above mentioned records reflect that William R. Davis resides at #2 Cooper Road, Scarsdale, New York, it being indicated that this is a magnificent residence.

Austin B. Taylor, Vice President of Davis and Company, Inc. is reported to be 41 years of age, married, and a son-in-law of Senator Jess Davis. He is a native of Little Rock, Arkansas. Taylor is President of the Texas Crusader Oil Company of Houston, Texas. During the World War he served with the United States Army as First Lieutenant in Charge of aviation instruction. Taylor is a lawyer by profession and a member of the Arkansas Bar. For about two years he was a partner in a law firm in Arkansas and then began practicing as an individual maintaining a law office in El Dorado, Arkansas. Shortly thereafter he became associated with the Texas Crusader Oil Company. From 1931-1935 Davis served as the attorney for the Foreign Oil Company maintaining offices in Chicago, Illinois.

NW 63226 DocId:34637333
Page 104

Henry W. Wilson, mentioned above as Vice President of Davis and Company, Inc., is reported to be a banker of London, England, although he furnished an address on February 24, 1938, as follows: Business Address: 30 Rockefeller Plaza, New York City; Resident Address: Savoy Plaza Hotel. Information has been obtained that Wilson is approximately 50 years of age and is married, being the second husband of a wife who has two grown children, one of them being married. Wilson was born in Minnesota and attended for a short time the University of Minnesota. Prior to the World War he was a real estate salesman in the western portion of the United States. Wilson in 1917 obtained a commission as Captain in the United States Army and served until 1919, being honorably discharged as a Major in the infantry. Subsequent to the World War, Wilson became connected with the well known securities house of Hambleton and Company of Baltimore, Maryland, which company has branches in New York City and elsewhere. Wilson was placed in the Bond Department of the New York Branch of Hambleton and Company, later becoming manager of the Wholesale Bond Department of this company. He was apparently highly regarded by his superiors and handled some of the company's outside interests, namely, the affairs of the Welte-Mignon Company and its subsidiaries, Estey-Welte Corporation and the Estey Piano Company. Wilson became treasurer of these companies. The Welte-Mignon Company was the parent organization and Wilson was taken in to assist in the reorganization and in securing new capital in which connection he is reported to have raised $500,000 and effected changes in the management. In 1928 a group of brokerage houses acquired this corporation. Wilson served as treasurer of the North America Discount Corporation during the above period which corporation was engaged in financing the sales of the Welte-Mignon Company. In 1928 Wilson became Vice President of Hambleton and Company and represented this firm in its dealings with the Cosmopolitan Fire Insurance Company of which he was a director.

Wilson also served as Vice President and Director of the Hancock Insurance Company during the time that he was with Hambleton and Company. In 1929, after leaving Hambleton and Company, Wilson became associated with William Rhodes Davis and assisted the latter in connection with negotiations with the Peruvian Government involving oil developments and the building of a railway. Wilson subsequently became connected with the Mantle Lamp Company of America, a large Chicago corporation, serving in an advisory capacity with this organization until 1933.

Wilson has apparently devoted all of his energies to Davis and Company, Inc. and its subsidiaries and related companies since 1933, it being reported that he is financially interested

NW 63226 DocId:34637333
Page 105

in Davis and Company, Inc. In 1935, Wilson spent a large portion of time in Europe for Davis and Company in connection with negotiations for the construction of refineries in Germany and elsewhere. During 1936 he served as Managing Director of the Crusader Petroleum Industries, Ltd. in London, England. Wilson proceeded from London to Mexico in 1937 and spent a large portion of the last mentioned year in Mexico representing Davis and Company, Inc. In May, 1937, Wilson assisted Davis in organizing the Crusader Petroleum, Inc., which is mentioned above, he being at the present time President of the last mentioned corporation. In 1931 a judgment in the amount of $577,000 was obtained against Wilson by a New York realty company in connection with a lease dispute. This judgment remains unsettled according to records although Wilson claims that he has paid the amount.

Wilson is described as a sharp trader although he impresses people as being "dumb". He is reported to have negotiated for the acquisition of numerous properties by the Crusader Petroleum, Inc. and is reported to have negotiated some "sharp deals" whereby certain valuable properties were obtained at very low figures.

NW 63226 DocId:34637333
Page 106

Little is known of an individual named Karl F. Von Clenn, mentioned above, other than that he is reported to be a banker of Berlin, Germany.

Information has been ascertained that one Werner C. Von Clenn is an associate of Davis, this individual having allegedly married the daughter of Harry T. S. Green, Vice President of the National City Bank, New York City. Werner Von Clenn is reported to have come to the United States in 1922 and subsequently became a naturalized citizen. He is presently connected with Davis and Company, Incorporated, also being connected with the Pioneer Import Corporation of New York City, which allegedly imports merchandise from Germany, selling same in the United States. Werner Von Clenn is reported to be a representative of Hardy and Company, international bankers.

Samuel Raymond Thornbury is also reported to be a close business associate of Davis at the present time. Thornbury is reported to be approximately 45 years of age, unmarried, and a native of Evanston, Illinois. Thornbury was graduated from the Ohio Wesleyan University and, following graduation, he moved to Chicago, Illinois, where he became Secretary to Leonard A. Busby, President and Director of the Chicago Surface Lines. Thornbury later became associated with the Palmer Trust at 80 East Jackson Boulevard, Chicago, Illinois, this organization being better known as the Potter Palmer Estate. He later became General Manager of the Orlando Grove Company, with offices at 30 North Michigan Avenue, Chicago. In December, 1925, he resigned and became Secretary and Treasurer of the Whole Grain Wheat Company, a five million dollar Arizona corporation. He was also connected with the Whole Grain Wheat Company of Illinois, a two thousand five hundred dollar corporation organized in 1917. The Whole Grain Wheat Company of Illinois was controlled by one Charles H. Woodward of allegedly poor standing. Thornbury later resigned from this company and became a free lance financial promoter and operator. Thornbury became Vice President and Director of the Investigation and Finance Company, a former Illinois corporation organized in 1926, capitalized at $100,000.00. This corporation maintained an office at 105 West Adams Street, Chicago, Illinois, and its activities consisted of investigating going business concerns. Thornbury was subsequently associated with Lawrence W. Scudder, President of Lawrence Scudder and Company. Thornbury became President of the National Public Utility Company,

a former Illinois corporation organized in May, 1928, also becoming a Director of the Ravenswood National Bank. He is at the present time associated with William Rhodes Davis in Davis and Company, Incorporated.

With regard to information referred to previously in this memorandum indicating that Davis has claimed friendship with Adolf Hitler of Germany, information has been obtained to the effect that Davis first visited Germany on behalf of the First National Bank of Boston, Massachusetts, which bank was allegedly holding a considerable quantity of bad German security. Davis was allegedly sent to Germany originally by the bank, for the purpose of completing negotiations whereby Germany would increase its trade on a barter basis. It has been alleged that Davis obtained an absolute monopoly for the sale of petroleum and oil products in the Irish Free State and certain valuable connections in Germany, where he became personally acquainted with Hitler. It has been further reported that Davis received thirty million dollars from Hitler and Benito Mussolini of Italy for the purpose of financing oil operations whereby oil and petroleum products from expropriated Mexican properties, as well as from additional properties in which Davis is interested, would be exported to Germany and Italy.

Additional information has been obtained indicating that Davis is allegedly closely connected with one Herr Funk of Berlin, Germany, it being reported that Funk is a close subordinate of Field Marshall Hermann Goering.

It is alleged that about 1933 through certain Boston connections Davis succeeded in persuading the First National Bank of Boston, Massachusetts, to engage upon a type of investment calculated to release the "frozen" Marks held by that bank in Germany, the scheme being to construct an oil refinery at Hamburg, Germany, of German materials by German labor and on a German site, all of which expenditure would be paid for with "frozen" Marks possessed by the First National Bank of Boston, Massachusetts. Pursuant to the above Davis is reported to have formed an oil company at Boston, Massachusetts, which was duly incorporated and became nominated as substantially the owner of Europaische Tanklager und Transport A.G., a German concern which in turn built the Hamburg refinery, commonly known as "Eurotank." The program of this venture called for the purchase of crude oil outside of Germany, its transport to the Hamburg refinery and processing there the production of various oil products and the marketing of these products in free currency markets. On this formula, even if the plant only worked on a "break even" basis, all of the processing costs in Germany, labor, depreciation and other charges would automatically be converted from "frozen" Germany currency to free currency.

NW 63226 DocId:34637333
Page 108

On the other hand if the plant worked at a profit any profits which accumulated would also take the form of free currency. In the course of the operation in so far as the First National Bank of Boston and its German assets were concerned the Bank's "frozen" German paper money would be converted at least in part from currency of no fixed value and absolutely no transferable value to an asset represented by physical property, that is buildings and plants. It is reported that subsequent to the above Davis sought to extend his activities and in conjunction with T. C. J. Burgess, mentioned above, attempted to purchase from the Azienda Generale Italiana Petrolei, an Italian controlled enterprise, its interest in the Bod Company, Limited in Iráq. This was unsuccessful and it is reported that during the latter part of 1938 Burgess and Lord Inverforth, mentioned above, severed their connections with Davis and the latter's activities.

Additional information has been obtained that between June and July 1938 Davis negotiated a barter deal between Mexico and Germany, the total value of which was reported to be $10,000,000, a sale of five million barrels of oil being involved. It is alleged that between September and October 1938 Davis obtained a stock interest in the Panhandle Producing and Refinery Company of Wichita Falls, Texas, by the sale of German pipe which had arrived in the United States as a result of the Davis barter deals with Mexico. It is reported that in December 1938 Davis renewed his barter negotiations with a $17,000,000 barter arrangement in connection with which Mexican oil was shipped to Germany in exchange for heavy machinery and a small percentage of cash. It is reported that in January 1939 Davis dispatched a representative to Venezuela for purposes of petroleum promotional schemes in that country, no results having been reported therefrom to date. It is alleged that in April 1939 Davis sent a representative to Peru for the purpose of oil promotional schemes, the results thereof not being known to date. It is reported that in April 1939 Davis was interested in a project for the erection of a 1,750,000 barrel oil storage plant at Chelsea, Massachusetts. During May 1939 Davis is reported to have completed additional barter deals with Germany, which involved the reconditioning of refineries in Mexico with German refinery equipment and machinery. Information has been obtained that during the early part of September 1939 Davis purchased certain acreage in Texas from the D. D. Davenport Company, the details of which are reported in Rinehart's Oil Reports of September 8, 1939, as follows:

"W. R. Davis and associates of Dallas have completed a deal to acquire all of the holdings of Transwestern Oil Company

NW 63226 DocId:34637333
Page 109

"and D. D. Davenport Rincon District of Starr County, southwest Texas constituting several thousand acres mostly potential producing area in a 4100 foot distillate and crude zone. While not confirmed Davis is supposed to have paid $270,000 in cash to Davenport and $250,000 in cash to Transwestern. Each are to retain an eighth overriding royalty under their respective properties. Davis will construct a recycling plant to process sixty million cubic feet of gas per day it was said. He also is to drill twenty wells, half of them of sixty acre spacing to the distillate sand and the other half to similar zone which is producing crude."

Additional information has been obtained to the effect that upon the forming of the Crusaders Petroleum, Incorporated, of New York City and Ada, Oklahoma, the latter company purchased the stock of the Fleethorn Oil Corporation, mentioned above, it being indicated that the First National Bank of Boston and the First National Bank of Oklahoma City furnished a two million dollar production loan in connection with the above transaction on the part of Davis and his associates.

CONNECTION BETWEEN WILLIAM RHODES DAVIS AND WALTER A. JONES

Walter A. Jones is reported to presently maintain offices at the Mayflower Hotel in Washington, D. C., where he occupies Rooms Nos. 736 and 737. Jones has indicated his residence address to be 2325 Wyoming Avenue, N. W., Washington, D. C. He is reported to have been born at Kent, Ohio, on July 10, 1874, having moved to Toledo, Ohio, when a young man, where he was graduated from the Ohio Wesleyan University in 1897.

Jones formerly held a position with the Toledo, Ohio, YMCA, being subsequently licensed to preach in the Methodist church in Ohio. He is reported to have engaged in the wholesale glass business in Columbus, Ohio, from about 1906 to 1927. He is also reported to have formerly held the position of Vice President of the Old Cities National Bank, Columbus, Ohio, having allegedly ceased such connection due to irregularities in the matter of handling his accounts with the bank. Information has been obtained that Jones maintains large investments in stocks, bonds, and securities, having no real estate in his own name. He left Columbus, Ohio, a number of years ago, being presently connected with the Benedum Trees Company, Pittsburgh, Pennsylvania, this being a financial organization interested in oil and coal promotional developments, and was a member of the Board of Trustees, Ohio Wesleyan University from 1916 to 1934. Jones belongs to the Methodist church and is a Mason. He is reputed, at Columbus, Ohio, to be of good reputation and character but to be a "schemer and promoter." Information has been obtained that a suit was filed by the United States Government in the District Court at Columbus, Ohio, against Jones and others for the collection of $16,874.49 which the Government alleges was overpaid to Jones and others in connection with Government contracts. Jones acted in 1932 as a Receiver for the Wayne Coal Company of Pittsburgh, Pennsylvania, one of the Benedum Trees interests, and is reported to be interested at the present time in the United States Sheet and Window Glass Company of Morgantown, West Virginia.

With regard to Jones' reported connection with the Benedum Trees interest, Pittsburgh, Pennsylvania, it is known that William Rhodes Davis, about 1922 or 1923, became connected with the Benedum Trees interest and secured capital therefrom with which he organized the Malcomm Petroleum Company, mentioned above.

It is known that Jones has been connected with William Rhodes Davis for a number of years, Jones having formerly been Manager of the Eastern Ohio Development Company and the Big Lake Oil Company, in which Davis is reported to have been interested, to an undetermined extent.

Information has been obtained indicating that Jones is connected with Davis with regard to the latter's operations concerning expropriated Mexican oil properties. In this connection, an article appeared in the St. Louis Post Dispatch under date of June 15, 1939, written by Marquis W. Childs, indicating that W. R. Davis, described as a "free lance oil operator," had negotiated barter deals with Germany in connection with expropriated Mexican oil properties, Davis having been assisted in this venture by such informed figures as Senator Joseph F. Guffey of Pennsylvania, John L. Lewis, head of the Congress of Industrial Organizations, and Walter A. Jones, described as "an oil operator and politician of of Pittsburgh," who was allegedly a heavy contributor to the Democratic Presidential Campaign Fund in both 1932 and 1936. This article states further that Senator Guffey, who is described as being a former oil operator, accompanied Walter A. Jones on a hurried trip to Mexico City in 1937, prior to the expropriation of American and British oil properties. This newspaper article stated that Senator Guffey introduced Jones to various Mexican officials and that Jones proceeded to "lay the groundwork" for deals later carried out by Davis. It is also stated that subsequent to the above, Senator Guffey, Jones, and Davis met in Jones' apartment at the Mayflower Hotel with Eduardo Suarez, Mexican Minister of Finance, when the latter was on a visit to Washington. This article quotes Senator Guffey in connection with the above matter as follows: "I interested myself at the request of Walter Jones." "I would do anything to help Walter Jones." "I never really knew Davis but I believe he is a man of great ability. I have not seen him for a year or more." This newspaper article contains information that Jones

NW 63226 DocId:34637333
Page 112

contributed fifty-two thousand dollars to the Democratic National Committee in 1936 and, further, that Jones is an ardent Democrat, having taken an active part in Pennsylvania politics during recent years. The article further states that former Governor Earle of Pennsylvania made Jones Chairman of the Pennsylvania Turnpike Commission engaged in building a superhighway across the State of Pennsylvania. This article quotes Jones as follows: "I am still associated with Davis. I believe those people down there in Mexico should have a chance to sell their oil."

An article in the New York Herald Tribune under date of June 16, 1939, indicated that W. R. Davis had been assisted in connection with barter deals, involving expropriated Mexican oil and petroleum products, with Germany, by Senator Guffey, John L. Lewis, and Walter A. Jones.

The above newspaper articles were quoted by United States Senator Henry S. Bridges of New Hampshire on July 29, 1939, in a discussion in the United States Senate, at which time Senator Bridges, according to the Congressional Record, 76th Congress, First Session, No. 15, Part 2, pages 14,485 to 14,492, inclusive, charged United States Senator Guffey, and the others mentioned, with having assisted the Mexican Government in connection with its policy of expropriation of American and British oil lands. Senator Guffey, according to information set forth on page 14,492 of the above described Congressional Record, indicated that he accompanied Walter Jones on a trip to Mexico City in May, 1937, due to the fact that he had previously, from 1918 until the middle of 1921, been active in the oil business in Mexico. Senator Guffey indicated that he was a friend of Walter A. Jones and accompanied the latter on the above mentioned trip to Mexico in order that he, Senator Guffey, being familiar with the Mexican interests, et cetera, could furnish appropriate advice to Jones.

It has been ascertained that Walter A. Jones received from Davis and Company, Incorporated, or from W. R. Davis, personally, during 1936, funds aggregating $75,000.00, these funds having apparently emanated from sources in London, England. It was also indicated that Jones received from Davis and Company, Incorporated, funds drawn from American banks in the United States aggregating

NW 63226 DocId:34637333
Page 113

$78,000.00 during the above mentioned period, Jones having received, during the above year, unidentified funds from London, England, in the amount of $24,000.00. In 1937, Jones received from Davis and Company, Incorporated, funds drawn on banks in the United States aggregating $66,000.00. Jones, during the same year, received funds from the Democratic National Campaign Committee aggregating $26,000.00. In 1938, Jones received from Davis and Company, Incorporated, funds drawn on banks in the United States aggregating $21,000.00, also receiving funds during this year from the Democratic National Campaign Committee totaling $25,000.00, as well as funds during the same year from the Pennsylvania Turnpike Commission totaling $7,000.00. During 1939, Jones has received from Davis and Company, Incorporated, funds drawn on banks in the United States aggregating $17,000.00 and during the current year he has received funds from the Pennsylvania Turnpike Commission aggregating $800.00.

Additional information has been received concerning Walter A. Jones, indicating that he is presently married, his wife's name being Emma. Jones is reported to maintain banking connections with the Guaranty Trust Company of New York and with the Colonial Trust Company of Pittsburgh, Pennsylvania. He is reported to have been appointed President of the "Good Neighbor League" in 1937, this league allegedly having for its purpose the breaking down of social, economic, and general class prejudice. Additional information has been obtained indicating that Jones was formerly a member of the Coal Code Authority of the National Recovery Administration and that he aided in the drafting of the Guffey Coal Control Act. Information has been obtained (not verified to date) to the effect that Jones owns a personal fortune valued at approximately two million dollars.

NW 63226 DocId:34637333
Page 114

INFORMATION CONCERNING APPARENT CONNECTION BETWEEN JOHN L. LEWIS AND WILLIAM RHODES DAVIS

With regard to allegations made in the Senate of the United States by Senator Bridges and set forth above in connection with the alleged assistance rendered to W. R. Davis by Senator Guffey of Pennsylvania, Walter A. Jones and John L. Lewis, head of the Congress for Industrial Organization, it should be noted that a newspaper article written by columnist Raymond Clapper taken from the Washington News of June 24, 1939, indicates that one Vincente Lombardo Toledáno has been a powerful figure in Mexico's new labor movement and as a part of his labor program has influenced the Cardenas Expropriation Policy. This article stated that Toledáno has close relations with John L. Lewis and the C.I.O. movement in the United States. This article indicated that Toledáno was scheduled to make a speaking appearance in Washington on behalf of the labor movement on June 26, 1939.

An editorial from the New York Daily Mirror on September 19, 1938, indicating that John L. Lewis had during Mexico City's recent Latin American Labor Conference voiced approval of the Mexican Oil Expropriation Policy. A newspaper editorial from the Wilson, North Carolina, Times under date of October 10, 1938, reads as follows:

> "Not satisfied with the confusion and trouble that he has brought to America, John L. Lewis has been in Mexico attending the meetings of the South American Labor Conference and made speeches and applauded President Cardenas in his stand against the United States with reference to Expropriations of American owned property. With John L. Lewis was Edwin S. Smith of the National Labor Relations Board. By their presence and statements these two Americans have encouraged the Mexican Government to resist the American Government's demand that property taken from the citizens of America and foreign countries without consideration is neither fair, right, nor just....."

NW 63226 DocId:34637333
Page 115

The above-mentioned newspaper article written by Marcus W. Childs in the St. Louis Post Dispatch on June 10, 1939, indicating that Senator Guffey, Walter A. Jones and John L. Lewis had assisted W. R. Davis in connection with negotiations involving the sale of Mexican expropriated oils to the German Government, stated that John L. Lewis interested himself in the Davis deals to the extent of assuring organized labor in Mexico that Davis had the resources to move Mexican oil in the face of a seemingly world wide blockade by British and American companies. This article written by Childs also states that Lewis's interest in the negotiations of Davis resulted from the relationship of Lewis with the Mexican Confederation of Labor and the Mexican Oil Workers Union now operating the oil industry in Mexico. The newspaper article in question mentioned reports to the effect that Lewis gained his first knowledge of W. R. Davis and the latter's activities through Senator Guffey of Pennsylvania. It was also indicated that Lewis obtained his knowledge concerning Walter A. Jones from Senator Guffey.

The following information was obtained from confidential sources in connection with a number of long distance telephone calls between Mexico City, New York City and Washington, D. C. Since about April 1, 1938, numerous telephone calls have been made between a person furnishing the name of Davis, telephone number Circle 72843, New York City, and a Miss Wihle (apparently Wehrle), long distance number 34, Mexico City. During these calls Davis at New York City purported to furnish to Miss Wehrle information obtained by Davis through cablegrams received from Berlin, Germany. The information generally related to the movements of steamships. The telephone number Circle 72843 is the number of William Rhodes Davis in New York City and it is believed that the above conversations took place between this individual and his secretary, Miss Erna Frieda Wehrle at Mexico City.

About April 10, 1938, Davis called Mexico City by long distance and advised that the "Kitty Braenig" (apparently an oil tanker) would arrive at Vera Cruz, Mexico, on June 14, 1938. About five minutes following this call a man using the name of Sam Morrison at Mexico City called Circle 72843 at New York City and stated that the party in New York (identity not known) should "drop everything" and send to Mexico City by Air Mail a list of all of the oil tankers in the world, indicating their flag, name of owner and tonnage.

NW 63226 DocId:34637333
Page 116

On the same day Miss Mehrle called Circle 72843 in New York City from Mexico City and dictated a cablegram for Berlin, Germany (addressee not indicated), telling the party at New York City to sign the cablegram "Davis."

On April 18, 1938, between 5 and 6 P. M., one John Lewis of Washington, D. C. telephoned to Elisandro Carrillo at Mexico City and told Carrillo that William Rhodes Davis would leave New York on the 3 P. M. plane that date en route to Mexico City. Lewis in this conversation told Carrillo to tell President Cardenas of Mexico that England was cancelling all "charters" on Davis due to the pressure brought by the Royal Dutch Shell Oil Company on the Bank of England. Lewis at this time told Carrillo that Davis was "absolutely all right" and could be depended upon, other reports to the contrary notwithstanding. Lewis told Carrillo to tell Cardenas that Germany and Italy were the only countries with which it would be safe for Mexico to deal. Lewis instructed Carrillo to see Cardenas on that night (April 18, 1938) and to tell him the above without fail.

During the above conversation Lewis asked Carrillo if the latter had seen the article on Mexico in the latest copy of "KEN" and he told Carrillo that it was important that the latter get a copy of "KEN" and read the article in question. Lewis told Carrillo that he, Lewis, had furnished the material upon which the article in "KEN" was based.

The above telephone call was made on Dallas, Texas, long distance ticket number 308 and it should be noted that the three hundred series is on incoming calls to Mexico City over the lines of the Erickson Company.

It will be noted that the April 20, ~~1939~~ 1938 issue of "KEN" magazine is apparently the issue referred to in the above telephone call inasmuch as the magazine was issued a week in advance. The April 20, ~~1939~~ 1938 issue of "KEN" contains a small unsigned article included among other articles in the section of the magazine known as "KENDEX" as follows:

"GOOD NEIGHBORS

Mexico isn't only place where oil troubles spread greasy slick over U. S. Good Neighbor policy. Another is Bolivia where Standard of N.J. is pressing State Dept to salvage something from $17,000,000 in wells & refineries expropriated 2 yrs ago. Esso has exhausted remedies of Bolivian courts, now is pressuring Hull to get Bolivia to agree to appointment of an impartial arbitrator to settle ruckus.

State dept is more anxious than is known to settle that oil dispute with Mexico. Reason is Administration wants Mexico's aid & influence in the big Western Hemisphere solidarity campaign. Plans are all set for big whoopla when

NW 63226 DocId:34637333
Page 117

"& if oil agreement is reached. Calls for state visit of Cardenas to White House, mutual trade & credit pact along Brazilian lines, several sensational items of co-operation on military and naval matters....."

On April 27, 1938, a long distance telephone call was completed through Dallas, Texas, at 5:49 P. M., Eastern Standard Time for telephone number LD 59, Washington, D. C., the call being put through to Alesandrio Carrillo at Mexico City. It has been ascertained that telephone number LD 59, Washington, D. C., is listed to the United Mine Workers of America and that this call was placed by one John Lewis at Washington, D. C., and that the conversation lasted for six minutes.

The San Antonio Evening News on April 21, 1938, carried a news dispatch under the date line Mexico City, April 21, 1938, confirming the above information relative to the travel of Davis from New York City to Mexico City. This newspaper article indicated that Davis had contracted to buy 1,500,000 barrels of oil from the Mexican Government at an undisclosed price; further that Davis had stated he expected to buy 20,000,000 additional barrels during 1938. The San Antonio Express on April 21, 1938, carried a news dispatch from Mexico City to the effect that W. R. Davis of New York was negotiating with the National Oil Export Company with regard to marketing Mexico's petroleum excess abroad, it being indicated that Davis conferred several hours with Gustave Espinosa Mireles, head of the National Oil Export Company.

Alexandrio Carrillo, mentioned above, may be identical with the son of a former Mexican Consular General at San Antonio, Texas, who served as Consul a number of years ago. This individual is believed to be approximately thirty years of age at the present time, being very highly educated. A news dispatch which appeared in the San Antonio Light on April 29, 1938, referred to one Alexander Carrillo, believed to be probably identical with the above individual. This news dispatch indicated that Vincente Lombardo Toledano, Mexican labor leader known as the "John L. Lewis of Mexico" arrived en route to New York and thence to Amsterdam to represent Mexico at the World Workers Convention. The news dispatch referred to Toledano as being a Mexican Presidential prospect, describing this individual as being President of the powerful Confederation of Mexican Workers (C.T.M.) similar to the C.I.O. organization in the United States of America. Toledano, according to the news dispatch, was accompanied on the above journey by his wife and two children and also by Senator Jesus Tiren and Alexander Carrillo, head of the Workers University of Mexico City.

NW 63226 DocId:34637333
Page 118

It has been ascertained that W. R. Davis, while in Mexico City, Mexico, on September 16, 1939, placed a long distance telephone call to "Mr. Lewis," Metropolitan 0530, Washington, D. C. Davis at this time also placed a long distance telephone call to "Mr. Jones," Potomac 2326.

INFORMATION CONCERNING
MISS ERNA FRIEDA WEHRLE

W. R. Davis by letter dated September 13, 1939, to the Passport Division of the State Department presented Passport number 361761 of Marie M. T. Davis (the wife of W. R. Davis) and Passport number 642312 of Erna Frieda Wehrle (secretary of W. R. Davis); also Passport number 743 of William Rhodes Davis. It was requested in the above letter that passport facilities be granted for W. R. Davis accompanied by Mrs. Davis and Miss Wehrle to make a trip to Rome, Italy, leaving on the Pan American Clipper from Port Washington, Long Island, New York, on September 20, 1939, via Lisbon, Portugal, en route to Rome. Davis in the above letter indicated that the necessity for the trip was of an emergency nature due to the fact that Davis has been dealing in petroleum and petroleum products in Europe for the past seven years and desired to liquidate certain credits and reorganize certain assets belonging to Davis' company in belligerent countries in Europe. He stated in the above letter that certain executives of his in foreign countries had arranged to meet with him in Rome, Italy, on September 26th for the above-described purposes. Davis indicated that he intended to remain in Rome only for a few days, returning by the Pan American Clipper taking passage at Lisbon, Portugal. The State Department of the United States declined to grant the request of Davis for the validation of the Passport of Mrs. Davis and Miss Wehrle, although Davis' Passport for the above trip was validated.

Erna Frieda Wehrle has indicated that she is a citizen of the United States, having been born at Grand Rapids, Michigan, on January 9, 1911, being the daughter of Frank Xavier Wehrle who was born at Bayden, Germany, on December 3, 1871, and presently resides at Thomaston, Connecticut. Miss Wehrle advised that her permanent domicile is at Litchfield Street, Thomaston, Connecticut. She advised that her father emigrated to the United States in 1902, having resided in this country continuously since the last mentioned date; further that Wehrle, Sr., became a naturalized citizen of the United States at

NW 63226 DocId:34637333
Page 120

Waterbury, Connecticut. Miss Wehrle on June 29, 1938, applied for a Passport indicating that she desired to visit the countries of England, France and Germany for a period of approximately six months. She furnished her address upon the above occasion as being care of Davis and Company, Inc., 30 Rockefeller Plaza, New York City, and indicated her occupation as being Secretary. On July 2, 1935, Miss Wehrle was granted a passport indicating that she would leave the United States at the Port of New York, New York, on July 6, 1935, sailing on the "Bremen" to proceed to Germany on "business" for a period of two months. She indicated upon her application on the above occasion that she had resided in Germany from June, 1928, to June, 1929, and furnished as her occupation stenographer, her American address being given as Thomaston, Connecticut.

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

September 23, 1939

EAT:LCJ

10:50 A.M.

MEMORANDUM FOR THE DIRECTOR

RE: WILLIAM RHODES DAVIS;
ESPIONAGE

SAC Foxworth called from New York in regard to another matter and advised that his office is receiving literally thousands of telegrams and teletypes on this matter. He stated that he is picking out some of the more important of these and is sending them to us by teletype, and that he is sending the photostatic copies of communications to and from Davis just as fast as these copies can be made.

Mr. Foxworth advised that he does not believe it will be possible to place a tap on Davis' telephone at Radio City unless access can be gained to his office after working hours, as there are about ten trunk lines leading into his office, and the Telephone Company has men there most of the time due to the National Broadcasting Company headquarters being in that office. I advised Mr. Foxworth that we had better not do anything about placing a tap for the time being.

In response to my question in regard to Erna F. Wehrle, Mr. Foxworth advised that Agent Rensom is hopeful of being able to place a tap on the telephone of this woman. He advised that a surveillance is being conducted on her.

Respectfully,

RECORDED & INDEXED
E. A. Tamm

65-1168-74
FEDERAL BUREAU OF INVESTIGATION
SEP 23 1939
U. S. DEPARTMENT OF JUSTICE

TOLSON | TAMM | THOMPSON

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DATE 4/28/98 BY SP2 alm/rm

NW 63226 DocId:34637333
Page 122

FEDERAL BUREAU OF INVESTIGATION

This case originated at - NEW YORK

File No. 62-923

Report made at	Date when made	Period For Which Made	Report made by
PITTSBURGH, PA.	9-28-39	9-23,25,26-39	F. J. DONAGHUE

Title	Character of Case
WILLIAM RHODES DAVIS	ESPIONAGE

SYNOPSIS OF FACTS: JOSEPH F. GUFFEY, United States Senator, Pittsburgh, and WALTER A. JONES, associated with oil interests and presently Chairman of Pennsylvania Turnpike Commission, residing at unknown address in Washington, D. C., journeyed to Mexico in May 1937 on pleasure and business trip. Shortly thereafter, British and American oil property expropriated by Mexican Government. Confidential Informant, Pittsburgh Office, advises SAMUEL A. MITCHELL, Attorney At Law, 705 Olive Street, St. Louis, Missouri, who was behind the scenes Chief Counsel in defense of major oil companies Anti-Trust case at Madison, Wisconsin, advised Confidential Informant that GUFFEY, JONES and WILLIAM DAVIS made Mexican trip together and is believed to have information relative details and purpose of this trip. Confidential Informant obtained and transmitted information to SAMUEL MITCHELL relative DAVIS

4 Copies destroyed-30

4 cc returned Pbo

S. K. McHale

65-1168-75

OCT 4 1939

5 - Bureau
2 - New York
2 - St. Louis
2 - Washington
1 - Boston (Information)
1 - Philadelphia (Information)
1 - Cincinnati (Information)
2 - Pittsburgh

OCT - 2 A.M.

TWO

HARB

CCD

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 4/29/98 Sp Calcidm

NW 63226 DocId:34637333 Page 123

which he obtained discreetly from JOE C. TREES, Pittsburgh Oil operator and member of the BENEDUM-TREES Company which indicated DAVIS to be variously connected with promotion and drilling oil wells in Oklahoma with BENEDUM-TREES interests, promotion work with Kraft Cheese Company, engaged in oil business in Germany, allegedly building refinery there and in Ireland, and later endeavoring to obtain oil concessions in Mexico near properties of or in connection with HARRY SINCLAIR and others, possibly Shell Oil Company. Confidential Informant indicates WALTER A JONES politically very influential and warm personal friend of PRESIDENT ROOSEVELT and Secretary of State CORDELL HULL, and has many important political contacts in District of Columbia and Pennsylvania. JONES former operator United States Window Glass Company, Morgantown, West Virginia, now defunct. Claimed to be "Execution proof and broke" on September 1, 1926. Presently Vice President of Plymouth Oil Company, with listed holding of nine hundred thirty six shares Plymouth Oil Company stock and now said to be wealthy. Is political confidant of JOHN L. LEWIS, C.I.O. chief, THOMAS KENNEDY, former Lieutenant Governor of Pennsylvania, and other prominent Pennsylvania Democratic leaders and labor leaders. Confidential Informant advises JOSEPH F. GUFFEY, United States Senator, formerly President of Atlantic Gulf of West Indies Oil Company in 1919 to 1920, allegedly overheard sending telegram in telegraph station in Mexico to Mexican Government asking them to expropriate the Gulf Oil Company property at Tampico, Mexico, about 1920. Unable verify this story. Confidential Informants Pittsburgh Office contra indicate investigation at Colonial Trust Company, Pittsburgh, where MIKE BENEDUM is Director. MARQUIS W. CHILDS, Washington Correspondent for St. Louis Dispatch, brought one hundred thousand dollar damage suit in District of Columbia against Senator GUFFEY, charging slander because of an article written by CHILDS, published June 15, 1939 issue Post Dispatch linking GUFFEY with "Free lance oil operation" seeking to effect deals involving disposal of Mexican oil drawn from American property expropriated by the Mexican Government. Senators BRIDGES, Republican from New Hampshire, NEELY, Republican from West Virginia, on August 1, 1939 introduced two resolutions to Foreign Relations Committee calling for investigation of seizure of American owned oil lands in Mexico and charged Senator GUFFEY and Administration officials for supporting the expropriation, etc. On August 2, 1939, the Senate Foreign Relations Committee reported adversely and killed both resolutions unanimously by Committee. EDGAR MORRIS, Pittsburgh Correspondent for Guaranty Trust Company, New York, located Pittsburgh, unable to give any information or sources thereof in connection instant case. Indicates had phone contact with LUTHER CLEVELAND. Guaranty Trust Company, New York, re this matter and stated CLEVELAND gave New York office all known information. Confidential Informant states W. C. WENZEL, Manager Petroleum Division, Dun and Bradstreet, 290 Broadway, New York City, had requested information on June 16, 1939 relative WALTER A. JONES, and in this communication advised he already had information relative WILLIAM RHODES DAVIS.

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NW 63226 DocId:34637333
Page 124

62-923

REFERENCE: Teletype from the New York Office, dated 9-22-39.

DETAILS: AT PITTSBURGH, PENNSYLVANIA

This investigation was originally predicated upon receipt of conference teletype from the Washington Field Office dated September 22, 1939, requesting information concerning WALTER A. JONES, et al.

Special Agent E. J. ROSE telephonically communicated with Confidential Informant No. 1 of the Pittsburgh Office, who advised that WALTER A. JONES was believed identical with the JONES who was a political friend of JOSEPH F. GUFFEY, Junior Senator from Pennsylvania, and which two individuals allegedly had an oil deal together in Mexico. Confidential Informant No. 1 advised that a source of information who was then out of the city and expected to return on Monday, September 25, 1939, would be in a position to give information of possible value in connection with JONES and the alleged Mexican oil deals. This informant will hereinafter be referred to as Confidential Informant No. 2. At time of this call, Confidential Informant No. 1 stated he believed it inadvisable to contact the Benedum-Trees interests and further, inadvisable to contact the Colonial Trust Company of Pittsburgh, as MESSRS. BENEDUM and TREES are both members of the Board of Directors of the Colonial Trust Company of Pittsburgh.

The writer interviewed Confidential Informant No. 1, who advised, after reference to his files, the following informative background with relation to WALTER A. JONES. He stated WALTER A. JONES originally came from Columbus, Ohio; that his father had been identified with the window glass industry and that WALTER A. JONES succeeded his father in this enterprise, operating the United States Window Glass Company at Morgantown, West Virginia, now defunct. On November 19, 1923, the banking institution with which Confidential Informant No. 1 is connected made a loan to the United States Window Glass Company which named WALTER A. JONES and JO L. KEENER principals thereof. This loan, in December of 1923, was increased to $125,000, which loan was subsequently defaulted on, and in May of 1925 the account was turned over to the attorneys of the banking institution for collection. The file reflects that on May 23, 1925, MR. E. B. STUART was appointed Receiver of the United States Window Glass Company. In October of 1925, judgment against WALTER A. JONES in the sum of $50,000 was obtained by the Pittsburgh banking institution referred to, and subsequently, in August or September of 1926, WALTER A. JONES was examined by HENDERSON and BORR, Attorneys at Law at Columbus, Ohio, the result of this examination indicating that WALTER A. JONES was "Execution Proof." At that time JONES' only banking connection was

NW 63226 DocId:34637333
Page 125

given as the Ohio National Bank, Columbus, Ohio. From the above information, Confidential Informant No. 1 stated it is apparent that at that time, August of 1926, WALTER A. JONES might be considered to be broke or financially unsound. During the succeeding years WALTER A. JONES, through the medium of the public press, came to the attention of the bank referred to hereinbefore, and in view of his apparent financial ability, the Attorneys for the bank proceeded against WALTER A. JONES or threatened to proceed against him and on May 9, 1938 WALTER A. JONES settled the bank claim for $15,000 in cash and the original judgment obtained against JONES was assigned to B. V. J. TAYLOR, a relative of Detroit, Michigan. The file reflected that in January of 1927, the United States Window Glass properties at Morgantown, West Virginia were sold by FRANK P. CORBIN, Special Master. File further reflected that JONES was at one time, connected with the glass industry at Shreveport, Louisiana prior to 1924, and at that time did business with the City Savings Bank, Shreveport, Louisiana, the president of which at that time was J. G. FOSTER. The file reflected that the February 5, 1935 issue of the Wall Street Journal stated that as of December 31, 1934, WALTER A. JONES had 936 shares of Plymouth Oil Company stock. This was explained by the Informant that JONES was either a Director or Officer of the Plymouth Oil Company as of that date, else this would not have been listed in the Journal as above referred to. Confidential Informant No. 1 indicated that W. C. WENZEL, Manager of the Petroleum Division, Dun and Bradstreet, 290 Broadway, New York City, on June 16, 1939 had written the Credit Manager of the bank for information relative to WALTER A. JONES, in which letter MR. WENZEL indicated he had information relative WILLIAM RHODES DAVIS, but desired information relative WALTER A. JONES.

A lead is being set out for the New York Office to contact MR. WENZEL.

Confidential Informant No. 2 of the Pittsburgh Office advised that about two years ago JOSEPH F. GUFFEY, United States Senator from Pennsylvania, and WALTER A.JONES attended the Kentucky Derby at Louisville, Kentucky and shortly thereafter the newspapers announced that JOSEPH F. GUFFEY and WALTER A. JONES were going to the southwestern part of the United States together, partially for business and partially for pleasure. The Informant stated shortly thereafter SAMUEL A. MITCHELL of the firm of THOMPSON, MITCHELL, THOMPSON and YOUNG, Attorneys at Law, located at 705 Olive Street, St. Louis, Missouri, advised Confidential Informant No. 2 of GUFFEY and JONES being in Mexico and requested Informant No. 2 to obtain any information he could relative WILLIAM RHODES DAVIS. Confidential Informant No. 2 stated that he therefore approached JOE C. TREES of the firm of Benedum and Trees, oil operators, Pittsburgh, and that as a result of this contact with TREES and the information supplied by him, he submitted a memorandum to MR. MITCHELL relative WILLIAM RHODES DAVIS, which is set forth as follows.

NW 63226 DocId:34637333
Page 126

"He is the most amazing man I ever have known. He can get out of one thing and into another amazingly quickly. He has a bank in Boston from which he seems able to get money. My associate and I drilled some wells with him out in Oklahoma which were not very successful; then the Smackover field came along and he conceived the idea of building a pipe line and that didn't pan out. We spent a lot of money with him in Peru. He claimed to have concessions for almost all of Peru from the top of the Andes to the Amazon River, to build railroads, explore, etc., but nothing ever came of it. He then became connected with the Kraft Cheese Company and got a lot of people interested in that. He was mixed up in the oil business in Germany, and probably built a refinery there, and I think he built a refinery in Ireland.

"At the present time he is, or is trying to get some concessions in Mexico near properties of or in connection with Harry Sinclair and others - possibly Shell.

"We had Huntley, the geologist, examine the properties that Subject now has in Mexico, and Huntley reported the properties as looking very promising.

"He is not particularly truthful. Benedum-Trees have no connection with him whatever. He has cost Benedum-Trees large sums of money without profit to them of any kind. He has a very pleasant personality."

Confidential Informant No. 2 stated that shortly after the return from Mexico of GUFFEY and JONES, the Mexican Government expropriated the United States oil companies' properties. Confidential Informant No. 2 advised that he could not recall the source of the story, but that for what it was worth, he would give the writer the information he had obtained to the effect that JOSEPH F. GUFFEY while in Mexico on the trip referred to, had represented himself as being from the United States State Department; that it was his understanding that MR. SUMNER WELLES, Under Secretary of State received the information and as a consequence called the Mexican Government and officially told them that JOSEPH F. GUFFEY had no official connection whatsoever with the State Department of the United States Government.

NW 63226 DocId:34637333
Page 127

Confidential Informant No. 2 advised that he lived in Pittsburgh all his life, where he has practiced law and has known some of the most important figures in public life intimately, and recalled a story to the writer, which he stated occurred about 1920, having to do with Senator GUFFEY. He stated that JOSEPH F. GUFFEY was president of the Atlantic Gulf of West Indies Oil Company, which company was operated by the Atlantic Gulf and West Indies Steamship Company, in 1919 and 1920. About 1920, an employee of the Gulf Oil and Refining Company of Pittsburgh, Pennsylvania, who was working in Mexico, happened to be in a telegraph station. This employee, knowing the code used in the transmittal of telegraph messages via telegraphic instruments, overheard a message being sent to the Mexican Government which purported to be from JOSEPH F. GUFFEY, at that time urging the Mexican Government to expropriate the Gulf Oil properties at Tampico, Mexico.

Confidential Informant No. 2 advised that MIKE BENEDUM, of the Benedum-Trees interests, is somewhat bitter toward JOSEPH F. GUFFEY, and further advised that JOE C. TREES, also of the Benedum-Trees Company, could give information about WILLIAM RHODES DAVIS.

MR. BENEDUM and MR. TREES will not be contacted at the present time however, in view of the fact that they are partners and it appears that MIKE BENEDUM is closely friendly with WALTER A. JONES. These interviews are being left to the discretion of the Bureau.

Relative to SAMUEL A. MITCHELL, Attorney at Law, St. Louis, Missouri, previously mentioned in this report, Confidential Informant No. 2 advised that MITCHELL definitely was the "Major General" in the defense of the major oil companies when prosecuted in the United States District Court at Madison, Wisconsin, for violation of the Anti-Trust Law, although he stated MR. MITCHELL had employed W. D. DONOVAN, former Deputy Attorney General of the United States, to actively act as counsel and be "The Front" of the defense in that case. The attention of the St. Louis Office is called to this matter in order that the same may be kept in mind at time interviews may be had with MR. MITCHELL for further information in instant case.

Confidential Informant No. 2 observed to the writer that it was his opinion that the appointment of WALTER A. JONES by the Democratic leaders of Pennsylvania as Chairman of the Turnpike Commission under former Governor GEORGE E. EARLE, plainly indicated the close-knit affiliation between JONES and Senator JOSEPH F. GUFFEY.

NW 63226 DocId:34637333
Page 128

62-923

MR. J. EDGAR MORRIS, 35th floor, Gulf Building, Pittsburgh, advised he is the Pittsburgh correspondent for the Guaranty Trust Company of New York, and as such has been engaged in the banking business for a number of years. He stated that he knows WALTER A. JONES, although he does not believe he has seen JONES in about ten years. He could give no information relative JONES' activities other than to state he believed he was affiliated with the Plymouth Oil Company and that the Plymouth Oil Company possibly had a banking connection with his firm, the Guaranty Trust Company of New York City. MR. MORRIS stated he knows DAVID LAWRENCE, a resident of Pittsburgh, but had not seen LAWRENCE in some years. He denied knowing WILLIAM RHODES DAVIS, stating he had never heard of the man. MR. MORRIS was first contacted on Saturday morning September 23, 1939, at which time MR. MORRIS was obviously in a hurry to make a train, stating that he was obliged to attend the funeral of his secretary's mother. Accordingly, satisfactory interview could not be had with him. The following Monday morning, September 25, 1939, MR. MORRIS was interviewed, at which time MORRIS indicated he had been in telephonic conversation with MR. LUTHER CLEVELAND of the Guaranty Trust Company of New York, at which time he discussed with MR. CLEVELAND the fact that he had been interviewed by Special Agent of the FBI, with regard to WALTER A. JONES. MORRIS stated MR. CLEVELAND informed him that Special Agents of the Bureau had been at the Guaranty Trust Company in New York and that they had given them full information in their possession regarding the matter, and suggested if MR. MORRIS had any information, he should supply the same to the FBI in Pittsburgh. Accordingly, MR. MORRIS stated that he was acting in perfectly good faith when he stated he could not be of any assistance and had no information in this matter.

Confidential Informant No. 3 advised the writer that WALTER A. JONES is known to him and is known by him to be very friendly with MIKE BENEDUM of Benedum and Trees, and to be frequently in each others company at the Duquesne Club, Pittsburgh, Pennsylvania. Informant No. 3 stated that he recalls having read something in the newspapers of the alleged trip of WALTER A. JONES in company with Senator GUFFEY to Mexico and the subsequent resolution introduced into the Senate to investigate the matter, and in connection therewith, Informant No. 3 stated on one occasion at the Duquesne Club when he had met WALTER A JONES, JONES had made reference to the Mexican oil matter by stating, to quote the Informant's words, "Oh, there was nothing to that. Just as soon as those people down in Washington heard the right story on that matter, they threw it out the window. There was nothing to it."

NW 63226 DocId:34637333
Page 129

Confidential Informant No. 3 stated that it was his knowledge that WALTER A. JONES is personally very friendly with Secretary of State CORDELL HULL and on one occasion called upon Secretary HULL for a favor for a friend intending to travel through Asia; that this favor was immediately granted upon the personal request by JONES of Secretary HULL.

In addition to this friendship, Informant No. 3 stated it was his understanding upon reliable authority, that WALTER JONES was friendly with President ROOSEVELT and that the President of the United States, MR. ROOSEVELT, called MR. JONES "WALTER" with an attitude of considerable familiarity and friendship.

Through the cooperation of MR. J. A. ZAHNER, City Editor, Pittsburgh Sun Telegraph, the writer was allowed access to the "Morgue" or clipping files of the paper. An examination of the same was made for the purpose of obtaining all informative data regarding WALTER A. JONES, Senator JOSEPH F. GUFFEY, ERNA F. WEHRLE and WILLIAM RHODES DAVIS. It may be stated here, at the outset, there was no information available in clippings relative ERNA F. WEHRLE or WILLIAM RHODES DAVIS. With relation to JOSEPH F. GUFFEY and WALTER A. JONES, there was observed to be a number of clippings, and such information as appeared therein and is believed pertinent is set up in summaries of each news item as follows. All the following exhibits are from the Sun Telegraph newspapers of the given dates.

November 22, 1933.

WALTER A. JONES, Confidential Secretary to M. L. BENEDUM, Pittsburgh oil man, appointed by President ROOSEVELT as presidential member of the Sub-Divisional Coal Code Authority for the Pittsburgh District.

October 22, 1937

WALTER A. JONES, former M. L. BENEDUM associate, today was commissioned a Colonel by Gov. CLYDE TINGLEY of New Mexico. He is a personal friend of the New Mexico Governor.

February 5, 1939

MICHAEL L. BENEDUM and WALTER A. JONES, Pittsburghers, named members of Committee to raise funds for library to house President ROOSEVELT'S State Papers at Hyde Park, New York.

NW 63226 DocId:34637333
Page 130

62-923

July 6, 1938

United States Senator JOSEPH F. GUFFEY lunched with JOHN L. LEWIS in Washington, D. C. yesterday (July 5, 1938). The Senator said they were just "visiting" and that politics were not discussed. Later they were joined by WALTER A. JONES, Pittsburgh Oil man and go-between in Democratic post-primary peace talks.

Washington, D. C. August 1, 1939 (INS)

Two resolutions calling for investigation of seizure of American owned oil lands by the Mexican Government placed before the Senate Foreign Relations Committee today. Introduced by Senator NEELY (Dem.) of West Virginia; and Senator BRIDGES (Rep.) of New Hampshire, charging Senator GUFFEY of Pennsylvania and Administration officials supported expropriation of certain American owned Mexican properties and Administration was encouraging Communism in Mexico.

Washington, D. C. August 2, 1939 (AP)

Senate Foreign Relations Committee killed today two resolutions for an investi ation of conditions surrounding the expropriation of American oil properties in Mexico.

Chairman PITTMAN (Dem.) Nevada said Committee reported adversely on both resolutions of Senator BRIDGES (Rep.) New Hampshire and Senator NEELY (Dem.) West Virginia and motion adopted unanimously by Committee virtually without discussion.

Washington, D. C. August 5, 1939 (AP)

MARQUIS W. CHILDS, Washington Correspondent for the St. Louis Post Dispatch, brought a $100,000 damage suit in Federal District Court today against Senator GUFFEY (Dem.) of Pennsylvania, charging slander on two counts, stating he had written a Post Dispatch story, published June 15, 1939, linking GUFFEY with a "free lance oil operator" seeking to effect "deals" involving disposal of Mexican oil drawn from American properties expropriated by the Mexican Government.

NW 63226 DocId:34637333
Page 131

62-923

Washington, D. C. July 29, 1939 (AP)

Senator BRIDGES (Rep.) of New Hampshire, told Senate today he would ask a Senate investigation of seizure of American oil properties in Mexico and at same time read newspaper stories stating Senator GUFFEY (Dem.) Pennsylvania, made a trip to Mexico City in 1937 before seizure of British and American oil properties, with WALTER A. JONES, Pittsburgh oil operator. JONES, the account said, was associated with W. R. DAVIS of New York, a "free lance oil operator" who later arranged for sale and barter of oil from seized properties.

October 21, 1938 (Not used)

SARA F. EBBERT of Pittsburgh, common stockholder filed suit in Common Pleas Court, charging nine Directors of the Plymouth Oil Company with improperly removing #833,146 from the Company's books.

Defendants named were MICHAEL L. BENEDUM, JOE C. TREES, WILLIAM E. HUSTON, WALTER A. JONES, ADDISON B. DALLY JR., WALTER S. HALLANAN, ADDISON HOLLIDAY, HENRY B. DAVENPORT, PAUL G. BENEDUM.

Alleges amount used for counsel fees, costs and litigation expense in two suits involving them and known as the Delaware Suit and the Farquar Suit was improper.

February 17, 1938

CIO Chief JOHN L. LEWIS informed Governor GEORGE H. EARLE that he will run Lieut. Governor THOMAS KENNEDY for Governor, regardless of action taken by Democratic Organization slate makers.

February 1, 1938

Last night some of Pennsylvania democratic party leaders met with JOHN L. LEWIS, head of Miners Union and CIO to discuss THOMAS KENNEDY for Governor of Pennsylvania. WALTER JONES, Pittsburgh Oil Man, chairman of last night's conference said "The

NW 63226 DocId:34637333
Page 132

Democratic Party and the labor organization can get nowhere going separate ways and a coalition is necessary."

While JONES said no conclusions were reached, the tentative results of last nights parley were:

Elimination of Senator JOSEPH F. GUFFEY as a Gubernatorial candidate. JONES hinted GUFFEY will serve out his present term in Senate which does not end until 1941. JONES also eliminated himself as a candidate.

Democratic support for KENNEDY for Governor.

CIO support for Governor EARLE for the seat of Senator JAMES J. DAVIS (Rep.).

Those attending conference besides LEWIS, GUFFEY, KENNEDY and JONES were: JOHN B. KENNEY and MATTHEW McCLOSKEY, Democratic Co-Chairmen of Philadelphia; J. DAVID STERN, Philadelphia publisher; PHILLIP MURRAY, Vice President of United Mine Workers; and DAVID LAWRENCE, State Chairman and Secretary to Commonwealth.

May 10, 1938

WALTER A. JONES, Pittsburgh oil executive and Chairman of the State Turnpike Commission, last night in a radio talk called upon businessmen of Pennsylvania to support the Gubernatorial candidacy of Lieutenant Governor THOMAS KENNEDY in the Democratic primary. Several of the conferences held by Pennsylvania Democratic leaders in their efforts to decide upon a primary slate for presentation to the State Committee took place in JONES' Washington apartment.

January 23, 1938 (By Milton Burgess, Political Editor)

In addition to the men who have been mentioned (GUFFEY, LAWRENCE, KENNEDY, MARGIOTTI) the Democrats have a number of "dark horse" candidates (for Governor). WALTER A. JONES, Pittsburgh businessman, who is a member of the GUFFEY-LAWRENCE Circle, has been mentioned. JONES was formerly close to M. L. BENEDUM, Pittsburgh oil operator, but recently they have been treading separate paths.

NW 63226 DocId:34637333
Page 133

The substance of the above investigation was furnished by teletype summary on September 26, 1939 to the Bureau, Washington Field Division, St. Louis Field Division and New York Field Division. This teletype suggested certain leads for the New York, St. Louis and Washington Field Offices, providing the Bureau did not instruct to the contrary. These leads will be hereinafter restated as undeveloped leads.

UNDEVELOPED LEADS

THE ST. LOUIS FIELD DIVISION

AT ST. LOUIS, MISSOURI

Unless instructed to the contrary by the Bureau, will interview SAMUEL A. MITCHELL for complete detailed information in his possession regarding Mexican visit of DAVIS, JONES and GUFFEY, and purpose thereof.

Will discreetly obtain St. Louis Post Dispatch issued June 15, 1939, supplying Bureau and New York Office with complete article by MARQUIS W. CHILDS in instant matter.

THE WASHINGTON FIELD DIVISION

AT WASHINGTON, D. C.

Will, if Bureau authority is given, make effort to discreetly contact MARQUIS W. CHILDS for complete information and sources thereof in his possession regarding Mexican oil story.

THE NEW YORK FIELD DIVISION

AT NEW YORK CITY

Unless Bureau instructs to contrary, will discreetly contact W. C. WENZEL, Manager of Petroleum Division, Dun and Bradstreet, 290 Broadway, New York City, for all information in his possession relative to DAVIS and JONES.

THE PITTSBURGH FIELD DIVISION

AT PITTSBURGH, PENNSYLVANIA

Will, upon receipt of further information from the Bureau of Office of Origin, interview MICHAEL BENEDUM and JOE C. TREES for any information in possession of these men pertinent to the instant

NW 63226 DocId:34637333
Page 134

inquiry relative JOSEPH F. GUFFEY, Senator from the State of Pennsylvania; WALTER A. JONES, Chairman, Pennsylvania Turnpike Commission; ERNA F. WEHRLE of Davis and Company, or possibly one time Secretary to WALTER A. JONES and WILLIAM RHODES DAVIS.

Will obtain any information in their possession concerning the possible connections between each of the above named persons.

Will conduct discreet inquiry at the Colonial Trust Company, Pittsburgh, contacting A. H. WILHARM, Treasurer, for any information available bearing on the background and character, status and activities of WALTER A. JONES, said to have an account with that concern. This inquiry will be handled most discreetly for the reasons given in the body of this report.

- P E N D I N G -

NW 63226 DocId:34637333
Page 135

Federal Bureau of Investigation
United States Department of Justice

PEF:MT

New York, N. Y.
September 21, 1939.

~~PERSONAL AND CONFIDENTIAL~~

Director
Federal Bureau of Investigation
Washington, D. C.

RE: WILLIAM RHODES DAVIS
ESPIONAGE.

Dear Sir:

I am transmitting herewith copies of the following incoming and outgoing cablegrams and telegrams addressed to and sent by Davis & Company, Inc., Room 5440, 30 Rockefeller Plaza, New York City, which were received from the Postal Telegraph-Cable Company and its subsidiary, the Mackay Radio:

Cablegram, dated August 2,1939, addressed to "Eurotank, Berlin", signed "Davcom".

Telegram, sent collect from Houston, Texas, addressed to Davis and Co., Inc., signed E. W. Saybolt and Co., dated August 3, 1939.

Cablegram, dated August 4, 1939, addressed to "Avocagidva, Paris", signed "Davcom".

Cablegram, dated August 4, 1939, sent to "Eurotank, Hamburg", signed "Davcom".

Cablegram, dated August 7, 1939, addressed to "Eurotank, Hamburg", signed "Davcom".

Cablegram, dated August 8, 1939, addressed to "Eurohandels, Berlin (Germany)", signed "Davcom".

Cablegram, dated August 24, 1939, addressed to "Eurotank, Berlin", signed "Davcom".

RECORDED & INDEXED 65-1168-75

Cablegram, dated August 30, 1939, addressed to "Eurohandel, Berlin (Germany)", signed "Davcom".

Tolson
Nichols
A. Tamm
Clegg
Ladd
Coffey
Egan
Glavin
Crowl
Harbo
Lester
Newton
Nichols
Rosen
Tracy
Gandy

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP(S) OF 3-1-78 DATE

DECLASSIFIED BY 2909 DPS/df
ON 4-11-78

copy destroyed 2-30

TAMM

TMQ

NW 63226 DocId:34637333
Page 136

Director.

As additional information is received from the Postal Telegraph Company, you will be immediately advised.

Very truly yours,

P. E. FOXWORTH
Special Agent in Charge.

Encls. 8

NW 63226 DocId:34637333
Page 137

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

September 22, 1939

EAT:HA

MEMORANDUM FOR THE DIRECTOR

The attached memorandum summarizes the information contained in the Bureau files concerning William Rhodes Davis exclusive of the material received from confidential sources concerning telephone calls to Mexico City. After we have completed our check of Davis a complete memorandum will be prepared upon him but I thought in the meanwhile you might be interested in this background data.

Respectfully,

E. A. Tamm

Have complete summary prepared.

RECORDED & INDEXED 65-1168-76

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 4-29-98 BY SP2 alc/mn

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NW 63226 DocId:34637333
Page 138

September 21, 1939

M E M O R A N D U M

Re: WILLIAM RHODES DAVIS

The Secretary of War, Washington, D. C., received an anonymous letter dated June 21, 1938, suggesting that an investigation be conducted with regard to the activities of William Rhodes Davis, particularly as to the activities of Davis in connection with his alleged oil purchases in Mexico on behalf of the German Government. It was alleged in this anonymous letter that Davis is probably engaged in Espionage activities.

William Rhodes Davis is fifty-one years of age, having been born in the State of Alabama. He is of English descent and is married at the present time. Davis is President of Davis and Company, a Nevada Corporation dealing in oil, in addition to which he owns interests in various other oil companies in the United States and other countries. Davis was formerly employed by the Southern Railroad Company, but for the past twenty years or more he has been engaged as a promoter in the Petroleum Industry. In 1921 or 1922 Davis started as an oil producer near Shawnee, Seminole County, Oklahoma. His operations were unsuccessful and numerous civil judgments were obtained against him by creditors. In 1922, Davis was instrumental in forming the Malcona Petroleum Company, Inc., in the State of Delaware, the headquarters of this company being located at Tulsa, Oklahoma. In 1923, Davis formed the Davis-Malcona Corporation of Tulsa, Oklahoma. The latter company went into receivership in August 1924, following which Davis was found guilty of fraud, gross neglect, breach of trust, and willful, fraudulent mismanagement as President of the company. A judgment was returned against Davis on this occasion in the amount of $169,123.00, this judgment being in favor of the stockholders of the Davis-Malcona Corporation.

In 1938, action was brought in the New York State Court by the Pennsylvania Company for Insurance on Lives and Granting Annuities, as trustee's executor, against W. R. Davis, et al, charging conspiracy to defraud. The plaintiffs in the above action alleged that Davis and

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NW 63226 DocId:34637333
Page 139

65-1168-76

his associates had entered into a conspiracy to defeat the above described Oklahoma judgment by illegally moving property covered by the judgment out of the state. As a result of the above action a temporary injunction was granted whereby Davis and Davis and Company were enjoined from moving any property out of the State of New York. In 1923 or 1924 Davis entered the employ of the British-Mexican Petroleum Company, Ltd., of London, England, and became very active in purchasing crude oil in the mid-continental oil field. The last mentioned company subsequently organized two subsidiaries, namely, the Crusader Oil Company and the Crusader Pipe Line Company. Davis became President and General Manager of both of the last mentioned companies. During this period Davis organized two additional companies, namely, the Crusader Oil Producing Company and the Crusader Pipe Line Company of Louisiana. Shortly after forming the latter concerns Davis resigned from the British-Mexican Petroleum Company, Ltd. and devoted his time to the Crusader Oil Producing Company and the Crusader Pipe Line Company of Louisiana, adding thereto a new company, namely, the Crusader Company, Incorporated.

In June 1925, Davis resigned from the Crusader Company, Incorporated and from the Crusader Oil Producing Company. On September 23, 1927, the last named company filed suit against Davis in Louisiana for $97,465.00 seeking to recover cash allegedly advanced to Davis. Judgment in the amount of $83,465.00 was obtained whereupon Davis appealed and the judgment was subsequently reversed. It is rumored that Davis later made a settlement in connection with the above claim.

In 1925, Davis was instrumental in organizing the Crusader Pipe Line Company of Arkansas which was financed by outside capital, the purpose of this company being to lay 150 miles of pipe line from Smackover, Arkansas, to Vandalia, Missouri. Mortgage holders on the property of this company later foreclosed and the property was sold, a judgment being entered against the Company at Shreveport, Louisiana, in the amount of $3,857,307.00. Between 1925 and 1928, numerous judgments were obtained against Davis in connection with his transactions in Shreveport, Louisiana, most of such judgments having been since outlawed by the Statute of Limitations.

During the next four years Davis was active in other promotions with little success. He set up in Boston, Massachusetts, as a stock broker, abandoning this venture after a short period whereupon he returned to the oil business and formed a Massachusetts

NW 63226 DocId:34637333
Page 140

corporation known as Davis and Company. Davis later organized the Foreign Oil Company, a Massachusetts Corporation which was subsequently succeeded by a Maine Corporation of the same name. The Foreign Oil Company was expanded and through subsidiaries produced crude oil in Mexico, operated a refinery in Hamburg, Germany, and distributed petroleum products in Europe. In 1936, the Foreign Oil Company was discontinued and liquidated. The assets were sold to the Crusader Petroleum Industries, Ltd., a British corporation.

On June 29, 1938, action was brought in the English Court, King's Bench Division, before Justice Lewis, against the Foreign Oil Company, W. R. Davis as President, and against the Crusader Petroleum Industries, Ltd., and its managing director, one Henry W. Wilson. The plaintiffs were Carl Frederick Glad and Aktieselskabet Gica (in liquidation), both of Copenhagen. The plaintiffs alleged conspiracy to cheat. Davis and Wilson were both found guilty and damages awarded.

Davis subsequently formed a Nevada Corporation known as Davis and Company, Inc., for the purpose of conducting experimental development operations. Two subsidiaries of this company were subsequently formed, both being wholly owned. These subsidiaries were the Texas Crusader Oil, Incorporated, and Louisiana Crusader Oil, Incorporated. Three additional companies were subsequently acquired, the same being the California Crusader Petroleum, Incorporated, the Meraux Terminal Corporation, and Davcom, S. A.

In about July, 1937, Davis and his associates purchased the property of the Fleethorn Oil Corporation. These individuals then chartered a new company known as the Crusader Petroleum, Inc., one Langdon Dearborn being vice president and general manager. Davis during this period became interested in a large foreign organization headed by the Parent Petroleum Industries, Ltd., London, England.

The following is the alignment of the various companies as they existed up to June 30, 1938:

1. Parent Petroleum Industries, Ltd., London, England, headed the pyramid with four directly-owned subsidiaries, these being Crusader Petroleum, Inc., of New York City, and Ada, Oklahoma, in which Davis and Company, Inc. was a minority stockholder.

2. Crusader Petroleum Industries, Ltd., London, England

3. Irish National Refineries, Ltd., of London, England, and Dublin, Ireland.

NW 63226 DocId:34637333
Page 141

4. Tuspan Oil Company, of Tampico, Mexico.

The Crusader Petroleum, Inc., in turn owned four subsidiaries:

1. Fleethorn Oil Corporation
2. Euromax Oil Company, Inc.
3. Texas Crusader Oil, Inc.
4. Louisiana Crusader Oil, Inc.

Likewise, Crusader Petroleum Industries, Ltd., also owned two subsidiaries, namely, the Europaische Tanklager and Transport A. G., which operated a refinery at Hamburg, Germany, and Svenska A. G. The name of the latter organization has been subsequently changed to Skanda-Tank A. G. and this company has been engaged in marketing equipment in Sweden.

Davis and Company, Inc. was neither a subsidiary or owner of any of the above companies, but did own a minority interest in the Crusader Petroleum, Incorporated; also owning an undetermined interest in the Parent Petroleum Industries, Ltd. Davis and Company, Inc. also owned three subsidiaries, namely, California Crusader Petroleum, Inc., Meraux Terminal Corporation, and the Davcom, S. A.

The Meraux Terminal Corporation operates an oil storage business at Meraux, Louisiana.

The Davcom, S. A., a Mexican corporation, is in charge of Mexican operations of this organization. It is reported to buy petroleum equipment in Germany, selling the same in Mexico, and also to buy petroleum products in Mexico for export.

The California Crusader Petroleum, Inc., holds leases on undeveloped oil lands in California.

Davis' principal connection is with Davis and Company, Inc., a Nevada Corporation, of which he is President as noted above. Press reports dated July 6, 1938, state that the Mexican Government has contracted to sell to Davis and Company oil valued at $10,000,000.00 to be furnished the German Government, it being alleged that payment will be made at the rate of 40 per cent cash and 60 per cent products on a barter basis.

Davis is reported to be in receipt of a very large income although up until the year 1931 his various companies operated on small capital being more or less unsuccessful.

NW 63226 DocId:34637333
Page 142

The New York Times for June 16, 1938, on page 10, column 1, contained an article by Frank L. Kluckhorn, dated at Mexico City, June 13, 1938, in which it was stated that the Mexican Government has completed a deal for the sale of 10,000,000 barrels of oil, largely expropriated United States and British oil, during the next six months to the German Government, it being alleged that 60 per cent of the purchase price will consist of German materials and products. It was alleged that practically all of the machinery obtained by Mexico during the past several years has been purchased from the United States. It was stated that Davis and Company of New York have acted as agents of the Mexican Government in completing the above sale of petroleum to Germany, receiving compensation on the basis of a 5 per cent commission. This newspaper article also states that the oil is apparently destined for Naxi markets, no provision having been made in the deal for the amortization of United States and British oil properties, although President Lazaro Cardenas has offered to pay for such properties with portions of the oil to be shipped. It is further stated that Davis and Company plans to use the above method as a means of liquidating a large block of marks owned by Davis and Company and its subsidiaries. This newspaper article contains further statements to the effect that Mexico can during the next six months obtain two million barrels of oil from wells already being operated before expropriating an additional eight million barrels.

Neither W. R. Davis nor Davis and Company are members of the American Petroleum Institute and this company maintains offices at 30 Rockefeller Plaza, New York City. The lease for these premises was signed by one P. B. Watson as Vice President, Watson's residence address being indicated as 33 Cherry Street, Floral Park, Long Island, New York. The lease was also signed by W. W. Van Allen as Assistant Secretary, the latter having furnished no residence address. Davis and Company have occupied the above premises since 1934 and maintain a good reputation with the renting office.

The records in the office of the Clerk of the Supreme Court, State of New York, reflect that the law suit previously mentioned was filed by the Pennsylvania Company for Insurance on Lives and Granting Annuities on March 11, 1930. Attorneys for the defendants are listed as Kauffman, Tuttle, and McCarthy. These records reflect the following officers of Davis and Company (Nevada Corporation):

NW 63226 DocId:34637333
Page 143

William R. Davis, President
Pierce D. Watson, Vice President and General Manager
Austin B. Taylor, Vice President
Henry W. Wilson, Vice President
Karl F. vonClemm, Vice President
N. V. Hansell, Vice President
James Lee Kauffman, Secretary
W. W. vanAllen, Treasurer and Assistant Secretary
Morris Geye, Assistant Treasurer

These court records reveal that William R. Davis resides at Two Cooper Road, Scarsdale, New York, and it is stated that this is a magnificent residence. Information appears to the effect that difficulty was had in obtaining service on Davis at his home.

Information has been obtained at New Orleans, Louisiana, that the Steamer "Charles Racine" was supposed to arrive in New Orleans, Louisiana, on December 27, 1938, for the purpose of transporting 119,000 barrels of distillate from the Meraux Terminals, Meraux, Louisiana, for Hamburg, Germany, and that the Douglas Public Service Corporation, Inc., had during the previous week received an order from the First National Bank of Boston, Massachusetts, for the above mentioned distillate, such order having been cancelled on December 28, 1938, and subsequently renewed on December 30, 1938, delivery to take place on January 3, 1939. It was indicated that a shipment of 127,500 barrels of distillate was due on January 2, 1939, from Tampico, Mexico, which distillate was to be deposited at the Meraux Terminals, Meraux, Louisiana.

On January 14, 1939, information was obtained from Mr. Jay (Joseph) A. Weil, President of the Douglas Public Service Corporation, Inc., that the above mentioned distillate had just arrived from Mexico having been shipped from Davis and Company at Tampico, Mexico to Davis and Company, c/o Meraux Terminal Corporation. It was ascertained that the outgoing cargo was shipped by the Meraux Terminal Corporation to the First National Bank of Boston, Massachusetts, order notify, c/o Euro Tank Company, Hamburg, Germany. It was ascertained that difficulty was encountered in connection with the outgoing shipment to Germany due to inquiry on the part of the United States Customs officials at New Orleans, Louisiana, concerning the quality of the distillate being shipped, it being indicated that a bond had been required of the vessel owners in this connection.

NW 63226 DocId:34637333
Page 144

Mr. Weil was visited on February 13, 1939, by Mr. William Latimer Gray, Vice President, First National Bank of Boston, who professed to be interested in ascertaining whether a better type of warehouse receipt could be obtained in connection with the distillate shipment. It is possible that at the time of this visit, Gray, in fact, sought information concerning William Rhodes Davis. Mr. Gray at this time informed Mr. Weil that he believed A. Johnson and Company, RKO Building, 270 Sixth Avenue, New York, New York, were the real owners of this cargo, which was being shipped from Tampico, Mexico, and that Davis and Company were, in fact, the borrowers. Mr. Gray was also of the opinion that A. Johnson and Company owned the Meraux Terminal Corporation and that the real reason the First National Bank of Boston was financing these shipments was because they had frozen marks in Germany. All cargoes from Tampico were shipped from the Meraux Terminal Corporation of Meraux, Louisiana, except one shipment of 62,706 barrels, which arrived on February 28, 1939, on the OLJAREN. This particular shipment was assigned to A. Johnson and Company, care of the Meraux Terminal Corporation, Meraux, Louisiana, but the Douglas Public Service Corporation, Inc. refused to issue warehouse receipts to the Meraux Terminal Corporation on this shipment.

Mr. Harold Hedstrom, of A. Johnson and Company, directed a communication to the Douglas Public Service Corporation, New Orleans, Louisiana, indicating copies of this letter for Davis and Company, to issue the receipts in the name of the First National Bank of Boston. Mr. Weil later reported that an individual by the name of J. A. Hansell was signing for Meraux Terminal Corporation and he understood that Hansell was substituting for a clerk who was supposed to be ill. Weil rather definitely recalled having met a Mr. N. V. Hansell, purportedly of Davis and Company.

Mr. Davis apparently resides at Two Cooper Road, Scarsdale, New York, but receives no mail at his home address, with the exception of advertisements and magazines. His business mail is apparently received at his business address in New York City, Davis and Company, Inc., 30 Rockefeller Plaza, New York City.

Correspondents of Mr. Davis and also of Davis and Company, Inc., appear to be as follows:

NW 63226 DocId:34637333
Page 145

Army & Navy Club
Manila
W. J. Millard

On May 9, 1939 - Crusader Petroleum Industries, Ltd.
Brettenham House
Lancaster Place
Strand, London, W.C. 2

Letter to W. R. Davis
30 Rockefeller Plaze
NYC via SS BREMEN
(originally addressed to Mr. Davis at Dorchester Hotel, London, through which address line was drawn)

Ing. Ed. Prido y Souza
Ambrer 33
Mexico, D.F.

Hardy and Company
Berlin on June 4, 1939

Reexpedie PH R
l'Hotel Meurice
Paris

On April 5, 1939 - Shepherds Hotel,
Cairo, Egypt

S. D. Baker
Apartado 398, Tampico Tamps,
Mexico

Rederiaktie Bolaget Nordstsernan
Stockholm - 7, on November 4, 1939.18-20?

Roma via Nicola Martelli N. 40

London W L
6:15 PM April 27, 1939, B.

H. W. Wilson
Brettenham House
Lancaster Place
Strand W.C. 2, London via SS BREMEN

NW 63226 DocId:34637333
Page 146

H. C. DeRoth
36 Conrhill
London, E.C. 3 per SS NORMANDIE from Southampton, 4-26-39

Dusch hu flpost nach D. Havre
Per Sviou SS NORMANDIE, 4-25-39

Banco Germanico Fela America
Del S V O, Sucursal En Mexico

S. Kanditank
Malmo

NW 63226 DocId:34637333
Page 147

[redacted]

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

OCT 4 1939 ×(u)

WESTERN UNION

ALL INFOR[illegible]
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

DECODED COPY ×(u) 10/4/39

[redacted]

(4)

WH16 73 US GOVT

MEXICO CITY OCT 4 1215P 1939 ×(u)

DIRECTOR FEDERAL BUREAU OF INVESTIGATION

(URGENT) US DEPT OF JUSTICE

DAVIS REPORTED ARRIVED ROME YESTERDAY ATTEMPTING ARRANGE SALE SUFFICIENT OIL ITALY THAT DELIVERY CAN BE FURNISHED GERMANY BY RAILWAY GERMANS REPORTED JUST ARRIVED HERE WITH AUTHORITIES FROM DAVIS WILL BE INVESTIGATED DAVIS DID NOT USE RADIO STOP THEODORE FREY TRIED TO HAVE AN INFORMANT TELEPHONE GERMANY AMBASSADOR SEE HIM PENITENTIARY RELATIVE SALE INVENTION INFORMANT REFUSED HOWEVER GERMAN AMBASSADOR VISITED FREY SEPTEMBER 21 INVESTIGATION BEING MADE MEXICAN GOVT HAS SEVERAL CHARGES AGAINST FREY AND SO FAR HAS DECLINED TO DISMISS STOP ADVISE IF YOU RECEIVED LETTER SENT TO P. O. BOX NO. AND BY DIPLOMATIC SERVICE. ×(u)

[redacted]

JONES ×(u)

221PM RECORDED & INDEXED

[redacted]

CLASSIFIED BY [illegible]
DECLASSIFY ON: [illegible]
4-29-98

Classified by 2909 DJS/dlf
Exempt from GDS Category [illegible]
Date of Declassification Indefinite
4-12-78

65-1162-77
FEDERAL BUREAU OF INVESTIGATION
C 5 1939 ×(u)
U. S. DEPARTMENT OF JUSTICE
TAMM TYLER

DECLASSIFIED BY 2909 DJS/dlf ON 4-29-98

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

[redacted] [redacted]

Federal Bureau of Investigation
United States Department of Justice

PEF:NB

New York, N.Y.

September 21, 1939

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

~~PERSONAL AND CONFIDENTIAL~~

Director
Federal Bureau of Investigation
Washington, D. C.

RE: WILLIAM RHODES DAVIS
ESPIONAGE

Dear Sir:

I am transmitting herewith photostatic copies of outgoing cablegrams sent by Subject and his associates through the facilities of RCA COMMUNICATIONS, INC., New York City, during the months of July, August and up to date in September.

To expedite the submission of this information to the Bureau, the individual cablegrams are not being listed. However, they are contained on the photostatic sheets attached hereto, which are numbered from 1 to 18 inclusive.

The RCA Communications is continuing its search tonight and tomorrow for the purpose of locating any incoming messages which may have been received by Davis or his associates. Immediately upon receipt of these, the Bureau will be advised of their contents and photostatic copies forwarded.

APPROPRIATE AGENCIES
AND FIELD OFFICES
ADVISED BY ROUTING
SLIP(S) OF Declass
DATE 5-1-78 BCM

Very truly yours,

P. E. FOXWORTH,
Special Agent in Charge

Encls. 18

RECORDED & INDEXED

1 ENCL 1M

SPECIAL DELIVERY

DECLASSIFIED BY 2909 DPJ/dk
ON 4-11-78

65-1168-78
FEDERAL BUREAU OF INVESTIGATION
OCT 5 1939
U. S. DEPARTMENT OF JUSTICE

NW 63226 DocId:34637333
Page 149

Federal Bureau of Investigation
United States Department of Justice

PEF:NB

607 U. S. Court House
Foley Square
New York, N.Y.

September 21, 1939

Mr. Tolson
Mr. Nichols
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Henden
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

~~PERSONAL AND CONFIDENTIAL~~

Director
Federal Bureau of Investigation
Washington, D. C.

RE: WILLIAM RHODES DAVIS
ESPIONAGE

Dear Sir:

For the information of the Bureau, I am transmitting herewith one photostatic copy of a judgment returned in the Supreme Court of Judicature, Court of Appeal, Royal Courts of Justice, London, England, on Monday, April 24, 1939 in the case of CARL FREDERIK GLAD and AKTIESELSKABET GICA, Plaintiffs (Respondents) v. WILLIAM RHODES DAVIS, HENRY WARREN WILSON, FOREIGN OIL COMPANY, INC., and CRUSADER PETROLEUM INDUSTRIES, LTD., Defendants (Appellants), which was heard before Lord Justices SCOTT, MACKINNON and GODDARD.

The photostats were made from a copy of the printed judgment which was contained in the files of the CHASE NATIONAL BANK of New York City and made available to us through the courtesy of Mr. SHERRILL SMITH, vice president of that institution.

APPROPRIATE AGENCIES
AND FIELD OFFICES
ADVISED BY ROUTING
SLIP(S) OF Declass
DATE 5-1-78 Dept

Very truly yours,

P. E. FOXWORTH,
Special Agent in Charge

Encl. 1

DECLASSIFIED BY 2909 DAJ/dlf
ON 4-11-78

behind file
1 ENCL 1M

RECORDED & INDEXED

65-1166-79

TAMM

NW 63226 DocId:34637333
Page 150

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 21 1939

TELETYPE

~~CONFIDENTIAL~~

APPROPRIATE AGENCIES
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SLIP(S) OR Class.
DATE 2-1-78 BJPC

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DECLASSIFY ON: 25X 3
4-29-98

Classified by 2909 DRJ/dg
Exempt from GDS Category 3
Date of Declassification Indefinate
4-12-78

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

FBI NEW YORK CITY 9-21-39 4 PM ERL

DIRECTOR

WILLIAM RHODES DAVIS ESPIONAGE. FOLLOWING CABLEGRAMS SENT BY DAVIS AND COMPANY ROOM FIFTY FOUR FORTY THIRTY ROCKEFELLER PLAZA NYC THROUGH POST TELEGRAPH DURING MONTHS AUGUST NINETEEN THIRTY NINE-

"EUROTANK BERLIN AUGUST TWO, NINETEEN THIRTY NINE

29B DUE TO PRESENT NEGOTIATIONS WR AND H FEEL THAT KRING SHOULD REMAIN UNTIL PROGRAM DEFINITELY SETTLED STOP MATTERS PROGRESSING SATISFACTORILY HOPE YOU ABLE GET ALONG WITHOUT KRING TEMPORARILY STOP HAVE SUDAMERO CABLE MASSNAT AUTHORIZING CHARTERPARTY BLADINGS MAXALBRECHT

CLASSIFIED DECISIONS FINALIZED BY DEPARTMENTAL REVIEW COMMITTEE (DRC)
DATE: 11-29-79 DRK/glt

ODAVCOM" (Y)

"EUROTANK HAMBURG AUGUST FOUR, NINETEEN THIRTY NINE

30H WILL LOAD RACINE TAMPICO GASOIL AND ANNAKNUDSEN HOUSTON BUNKERC AUGUST 20-25 STOP ABSOLUTE CASE NEED WILL LOAD DRAFN BUT PREFER KNUDSEN AS LARGER BOAT STOP LUNDGREN SAILED MORNING FOUR LOWOCTANE 102,865.59 BARRELS 11741.89 TONS GRAVITY 62.04 INITIAL 44 TWENTYEIGHT PERCENT 180 CENTIGRADE FINAL 201 CENTIGRADE SULPHUR .06 COLOR 30 PLUS DOCTOR CORROSION NEGATIVE STOP INSURE DOLLAR FORTY BARREL DAVCOM MASSNAT CONFIRM MASSNAT STOP ADVISE CLEMM

RECORDED
INDEXED

65-1168-79X

DAVCOM" (Y)

"AVOCAGIDVA PARIS AUGUST FOUR NINETEEN THIRTY NINE

YOURS JULY 26 RECEIVED STOP PROCEEDING INVESTIGATE WILL ADVISE BEFORE MAKING COMMITMENTS INVOLVING CHARGES

FAMM THC

~~CONFIDENTIAL~~ DAVCOM" (X)

NW 63226 DocId:34637333
Page 151

CONFIDENTIAL

"EUROTANK HAMBURG AUGUT SEVEN NINETEEN THIRTY NINE

32H ADRIA SULPHUR 1.18 PERCENT STOP ELEONORAMAERSK RELEASED TODAY STOP ANNAKNUDSEN HOUSTON BUNKERC ANTARKTIS TAMPICO ONE PERCENT GASOIL RACINE TAMPICO 1.7 PERCENT GASOIL INSTRUCT RACINE CLEAN ALL POSSIBLE ENROUTE STOP MAXALBRECHT SAILED THIS MORNING 62151.54 BARRELS 8149.23 TONS INSURANCE COVERED BY BUYER

DAVCOM" (X)

"EUROHANDELS BERLIN GERMANY AUGUST EIGHT NINETEEN THIRTY NINE

14L RECEIVED MANUFACTURERS LETTER REQUISITION 1978 ITEMS ONE AND SIX STOP PREVIOUSLY INFORMED YOU THIS TYPE LETTER ABSOLUTELY UNACCEPTABLE PEMEX MUST HAVE NEW LETTER GIVING QUANTITY DETAILS AND WINKO DRAWING REFERENCE STOP THIS SERIOUSLY DELAYING OUR INVOICES PEMEX PLEASE SUPPLY US PROPER LETTERS AS REQUESTED FOR ALL REQUISITIONS STOP SEE OUR 13L ALSO BE SURE GIVE US CABLE ADVICE WHEN ANY SHIPMENTS FORWARDED

DAVCOM" (X)

Z"EUROTANK, BERLIN AUGUST TWENTY FOUR NINETEEN THIRTY NINE

41B OUR 34B PLEASE ANSWER IMMEDIATELY

DAVCOM" (X)

"EUROHANDEL, BERLIN -GERMANY- AUGUST THIRTY NINETEEN THIRTY NINE

21L PIPSA HAVE YOU PAID WAKAMA AND IBERIA DRAFTS TOTALING DOLLARS 36246.53 ASKI 118646.60 PLEASE ADVISE

DAVCOM" (X)

CONFIDENTIAL

~~CONFIDENTIAL~~

PAGE THREE

FOLLOWING INCOMING RECEIVED SAME SERVICE.

COLLECT HOUSTON TEXAS

"DAVIS AND COMPANY

30 ROCKEFELLER PLAZA ATTN. MR. MAAGVLECHT

MAXALBRECHT APPROXIMTELY 50,000 BARRELS READY SHOWING GRAVITY 37.1

FLASH 160 YOUR SPECIFICATIONS SHOW 150 MAX OUR OPINION SHOULD READ

MINIMUM ADVISE BERTH AVAILABLE ABOUT FIVE PM

E W SATBOLT AND CO." (X)

[ALL SIGNATURES SENT IN FBI CODE] C

FOXWORTH

END

OK FBI WASHINTON DC JRC

~~CONFIDENTIAL~~

NW 63226 DocId:34637333
Page 153

[redacted]

FEDERAL BUREAU OF INVESTIGATION,
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 23 1939 (4)

WESTERN UNION

DECODED COPY (4)

[redacted]

Mr. Telson
Mr. Nathan
Mr. E. A. Tolam
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

WH20 28

MEXICO CITY SEP23 310p (4)

DIRECTOR FEDERAL BUREAU OF INVESTIGATION

US DEPT OF JUSTICE WASH DC

RE CONFIDENTIAL LETTER TWENTIETH TELEPHONE TAP KIRBY FOX IS RESPONSIBLE OFFICIAL EMBASSY HERE SUGGEST NO INQUIRY BE MADE RE THIS MATTER STOP ADVISE BY TELEGRAPH ADDRESS OTHER THAN BUREAU WHERE CONFIDENTIAL MAIL CAN BE SENT.

JONES (4)

446P

DECLASSIFIED BY SP1CLW/ST
ON 4-6-00

Copy to Mr. Tamm

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

RECORDED

[redacted]

CLASSIFIED BY ~~SP4/LCD/DH~~
DECLASSIFY ON: ~~25X 3~~
4-29-98

Classified by 2909 DPJ/dlf
Exempt from GDS Category 3
Date of Declassification Indefinite
4-12-78 FBIS

65-1168-80

FEDERAL BUREAU OF INVESTIGATION
SEP 24 1939 (4)
U. S. DEPARTMENT OF JUSTICE

TAMM TWC

NW 63226 DocId:34637333
Page 154

Federal Bureau of Investigation
United States Department of Justice

Philadelphia Pennsylvania

24 September 1939

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

[redacted]

Director
Federal Bureau of Investigation
Washington, D. C.

RE: WALTER A. JONES, etal;
INFORMATION CONCERNING

FOIA(b)(7) - (D)

Dear Sir:

Please be advised that the confidential informant "A" mentioned in the letter dated September 24, 1939, from this division to the Washington Field Division relative to the above entitled matter is

[redacted]

Very truly yours,

W. B. Fletcher

H. B. FLETCHER
Special Agent in Charge

PAM:mec
62-1406

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP(S) OF DATE 5-1-78 BY

DECLASSIFIED BY 2909 DPS/dlf
ON 4-11-78

RECORDED & INDEXED

65-1168-80X

FEDERAL BUREAU OF INVESTIGATION
SEP 25 1939
U. S. DEPARTMENT OF JUSTICE

RECORDED COPY FILED IN 62-25574

Philadelphia Pennsylvania

24 September 1959

Special Agent in Charge
Washington, D. C.

RE: WALTER A. JONES;
INFORMATION CONCERNING

Dear Sir:

Reference is made to the conference teletype message, dated September 22, 1959, from your office, requesting the background and reputation of WALTER A. JONES and others.

On May 21, 1957, the Legislature of the State of Pennsylvania passed an Act #11 creating the Pennsylvania Turnpike Commission and Governor GEORGE M. LEADER appointed WALTER A. JONES, Pittsburgh, Pennsylvania, as one of the members of the Commission. He was thereafter made Chairman of the Commission, and is reported to receive a salary of $7500. This Commission is for the purpose of supervising the construction of the "All Weather Highway" now being built between Pittsburgh and Philadelphia in the State of Pennsylvania.

It was ascertained at the office of the Secretary of the Commonwealth, Corporations Division, State Capitol Building, Harrisburg, Pennsylvania, that the Sunedun Trees Corporation was incorporated as a Pennsylvania Corporation during 1918 for the purpose of purchasing, selling and dealing in real estate. Its capital stock is listed at $20,000; narated as 400 shares at $50 per share. No subscribers to the stock and the directors of the Corporation at that time were E. L. [illegible], J. C. [illegible] and J. S. [illegible], all of Pittsburgh, Pennsylvania. There is no record of the Eastern Ohio Development Co. or the Big Firwood Oil Company, as being incorporated, or having a license to do business, in the State of Pennsylvania.

Confidential Informant A of the Philadelphia Field Division advised that WALTER A. JONES, the present Chairman of the Pennsylvania Turnpike Commission, is from Pittsburgh, Pennsylvania, and has a heavy interest in oil promotion. He is not an attorney admitted to the bar of any State as far as he knows, but he is the adviser for [illegible], who has a large interest in the Sunedun Trees Corporation. That the Eastern Ohio Development Company and Firwood Oil Co. are associated companies of the Sunedun Trees Corporation. That this corporation is an old concern heavily financed by wealthy people and deals primarily in oil speculation and promotion. It is not a producing company. JONES is the contact man for [illegible] and the Davis and Co., New York City. The Davis and Co. is reported to have given a check to JONES for $60,000 through WILLIAM P. DAVIS of the Davis and Co., which JONES subsequently donated to the last Democratic National Campaign.

Copy destroyed-30

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 4-29-98 BY [illegible] INDEXED

62-11688-80X

NW 63226 DocId:34637333
Page 156

Washington, D. C. 24 September 1959

JONES is a close associate of Senator JOHN[illegible] DUFFY of Pennsylvania, and was considered as DUFFY'S choice for nomination for Governor on the Democratic Party ticket for the past State election in Pennsylvania. However, ALVIN JONES received this nomination at the convention held at Harrisburg during the spring of 1958. It is not known whether ALVIN JONES is related to WILLIAM A. JONES. Subject JONES was sponsored by Senator DUFFY for appointment as one of the Commissioners for the Pennsylvania Turnpike Commission. Informant stated that Davis and Co. of New York City are reported to have some connection with Mexican oil promotion. That DUFFY and JONES were in the southwestern part of the United States last year, and are reported to have been in Mexico in connection with oil promotion. JONES is a man of substantial means, and reported to have large accounts in banks at Pittsburgh, and also in Ohio.

That at the present time every effort is being made by JONES and others to prevent an investigation of the Pennsylvania Turnpike Commission concerning which it is reported that a scandal is ready to break over the disposition of Federal funds received by the Commission for the construction of the "All Weather Highway." It is said that the highway as completed is not acceptable, and that parts of it will not be completed on time. The confidential informant advised that he would furnish all the information in his possession in strict confidence concerning this scandal.

While an agent of this office was discussing other matters with Deputy Marshal WILLIAM CAPELLO, Harrisburg, Pennsylvania, he advised that an investigator named BROOKS which name he is not sure of, who claimed to be connected with the Department of Justice at Washington, D. C., and presented credentials as such, about two weeks ago was making inquiries at Harrisburg concerning JONES, JOSEPH[illegible] and other Democratic leaders in the State. This investigator told CAPELLO that after he finished his work at Harrisburg he was proceeding to Pittsburgh to conduct further investigation.

The above investigation was conducted by Special Agent F. A. MINEY of this division, and although confidential informant showed a willingness to furnish further information, particularly as to the Pennsylvania Turnpike Commission, no effort was made to obtain the same in view of the instructions set forth in the reference teletype message from your office to secure the background and reputation of WILLIAM A. JONES and others. However, in a very discreet manner, in accordance with further instructions from Mr. E. A. TAMM, Assistant Director, the confidential informant will be interviewed again, and all the information in his possession concerning JONES, his activities and associates will be obtained. Also, another individual whom the confidential informant claims has other information concerning this matter will also be interviewed. This individual whose name informant would not furnish, will be made available through the confidential informant who will

Washington, D. C. 24 September 1953

not be available for further interview until sometime during Monday, September 28, 1953.

Very truly yours,

E. E. FLETCHER
Special Agent in Charge

PAM:mcc
62-1403
CC: 3 Bureau
1 New York
1 Pittsburgh

DECODED COPY

CLASSIFIED BY 2641 DECLASSIFY ON: 25X 4-29-98

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 23 1939

TELETYPE

CONFIDENTIAL

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY POUCH SLIP (3) OF 9/25/39 DATE

DECLASSIFIED BY SP4CAK/BAS ON 4-6-00

Classified by 2909 DPJ
Exempt from GDS Category 3
Date of Declassification Indefinate 4-12-78

FBI NEW YORK CITY 9-23-39 2-40 PM EDST JXM

DIRECTOR

WILLIAM RHODES DAVIS, ESPIONAGE CONTINUED SEARCH RCA COMMUNICATIONS INC REFLECTS FOLLOWING INCOMING MESSAGES OF POSSIBLE INTEREST-

LONDON SEPTEMBER EIGHTEEN REFERE CE SEIZURE POLYKARP HAVE MASSNAT AUTHORISE ME APPEAR MASSNATS BEHALF IN PRIZE COURT PROCEEDINGS FOR CONDEMNATION CARGO AND INSTRUCT SVENSKA HANDELSBANKEN SEND ME BLADINGS IMMEDIATELY STOP I ASSUME BLADINGS RUN MASSNAT OR ORDERSTOP SUGGEST YOU AND DAVIS AS SNIPPERS ALSO AUTHORISE ME APPEAR YOUR AND HIS BEHALF AS CLAIMING INTEREST IN CARGO . BAILEY

RECORDED 65-1168-80X1

" BERLIN SEPTEMBER EIGHTEEN. ASK LISBON HOTEL VICTORIA FOR TRANSPORT ROME ALL PREPARED STOP AGREED COMPLETELY DIAGNOSE SPIESS ON AUGUST BASIS NEW ARGUMENTS ARRANDEMENTS FAR EAST IMPORTANT FOR OBERIN STOP SEE POSSIBILITY ABSOLUTE APPEASEMENT AFTER POLANDESPE IF NEW COMBINATION HERE IF ASSIST BY WEIZENOBERIN STOP TRY TO GET INFLUENCE IN BORDEAUX IN DIRECTION STRICT WEIZEN WITHOUT ANY EEVISION OF THE A CT BSFORE MEETINGDAY BECAUSE MAY BE TOO LATE TOCHANGE READY DECLARATION STOP TAKE CONNECTION WITH DORAH ATONCE EACH SELLING TO GERSTENNATION MEANS DESTROYING OF BIDON A ND AFTER THIS ESPE. GRAF "

CONFIDENTIAL

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Gordon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

NW 63226 DocId:34637333
Page 159

[redacted]

wooden closet

" BERLIN SEPTEMBER TWENTIETH. GRAF TRANSFERRING FOUR SIX NAUGHT NAUGHT NAUGHT NAUGHT HOLZ KOMMODE STOP BIDONS AUGUST LIFTING SCHEDULE NO ONE PAYMENT BAECKER NO FOUR MEDEZIN FIVE TWELVE PAYMENT FROM WEIZEN COUNTRIES TEN ELEVEN THIRTEEN NOT YET DISCHARGED WHAT ABOUT FIFTEEN AND NO FIVE SEPTEMBER SCHEDULE STOPE NECESSARY PURCHASING WAHNSINN AVGAINST MEDEZIN MORE MUTTER EMIL STOP HAMSUD CANNOT PAY INVOICES MOMENTARY VGRAF SUGGEST USE HOLZ TWO ONE EIGHT NAUGHT NINE THREE NAUGHT PRIVATS MEDEZIN ACCOUNT BARON WITH FRABCUS STOP NO SOERENSEN ANKER EXPECTABLE EXPLAINING ROME STOP RE SHEET KLEIE CAN YOU ARRANGE FOR KLEIE TO EMIL ACCORDING DIAGNOSE FRANZI FOB WEISENPORT AS EMIL PROPERTIES STOP WILL DISCUSS LUFT BIDONS KIRCHE ROME. GRAF

" BERLING SEPTEMBER TWENTIETH. SEE CABLE KLINIK FROM EUROTANK AUGUST NINTH TWO PARTS OF ASSETS IN NORTHERN COUNTRIES ARE SOLD TODAY AS PROPOSED STOP ALL PREPARED HERE FOR YOU STOP PHONE MY PETER LISBON FOR RESERVATIONS IF NOTHING VIJTORIA. GRAF "

" MEXICO SPTEMBER NINETEENTH. S P NUMBER NAUGHT NAUGHT TWO THREE SEVEN IN RELATION OUR TELEPHONE CONVERSATION YESTERDAY PLEASE ADVISE OUR FRIENDS THAT MEXICAN AMBASSADOR CASTILLO NAJERA WILL BE IN

[redacted]

[redacted]

PAGE THREE

WASHINGTON NEXT WEEK HAVING INSTRUCTIONS TO COMMUNICATE WITH THEM REGARDS SUAREZ MINISTER OF FINANCE. "

AND FOLLOWING OUTGOING MESSAGE -

" SEPT THIRTEEN NINETEEN THIRTYNINE. NLT JOACHIM HERTSLET PRINZHANJERSTRASSE THREE ONE BERLIN ZEHLE NDORF. HAVE THREE BIDONS LUFT FOR IMMEDIATE DELIVERY WEIZEN COUNTRY AGAINST MEDIZIN AND BELIEVE CAN FURNISH ADDITIONAL BIDONS IF AM INSTRUCTED PURCHASE CAN CONTINUE MONTHLY FROM THREE TO SEVEN BIDONS STOP MEDIZIN NECESSARY STABILIZE APOTHEKER SPALTUNG SITUATION IS LIQUIDATION [redacted] KOMMODE APPROXIMATELY FOUR SIX ONE NAUGHT NAUGHT NAUGHT HOLZ AND PAYMENT BIDONS FOB VALUE RACINE PETTER POLYKARP KNUDSEN EUROFELD APPROXIMATELY FIVE FIVE NAUGHT NAUGHT NAUGHT NAUGHT HOLZ TOTAL APPROXIMATELY ONEMILLION HOLZ STOP BORDEAUX THURSDAY MEXICO FRIDAY HOUSTON SATURDAY NIGHT NEW YORK MONDAY NOON STOP ASK EUROTANK ANSWER OUR NLT TENTH RE HAMSUD BARON "

PHOTOSTATIC COPIES OF ADDITIONAL MESSAGES OF APPARENT SUBJECTS ROUTINE BUSINESS NATURE TOGETHER WITH PHOTOSTATS ABOVE BEING FORWARDED SPECIAL DELIVERY.

FOXWORTH

[redacted]

END

OK FBI WASHINGTON DC JRC Copy to Mr. Tamm

NW 63226 DocId:34637333
Page 161

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

September 25, 1939

AR:LCJ

12:00 Noon

MEMORANDUM FOR MR. E. A. TAMM

RE: WILLIAM RHODES DAVIS,
ESPIONAGE

I called Special Agent Winton at San Antonio and advised him that SAC Jones had inquired as to an address in Washington to which mail could be sent confidentially, and requested that he give the following address to Mr. Jones when he calls him at Mexico City:

Dixon Kimmerel,
Post Office Box 1503,
City Post Office,
Union Station,
Washington, D. C.

I advised Mr. Winton also that Mr. Jones sent in a teletype to the effect that Davis left Mexico City by 'plane on the 17th instant for New York City. I instructed Mr. Winton to advise Mr. Jones that sources in Washington indicate that this person was in Washington on September 15, at 11:45 A.M.; that there is some question as to whether he was in Mexico City at that time. I told him to advise SAC Jones to check further on this matter.

Respectfully,

A. Rosen

A. Rosen

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 4-19-98 BY SP3 alc/tm

RECORDED

65-1168-81
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
WASH
TWO

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 27 1939 ✱(4)

TELETYPE

[DECODED COPY] ✱(4)

[redacted]

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY SLIP (S) OF 9/27/39
DATE 2-28-74

DECLASSIFIED BY SP1CLK/EH
ON 4-6-00

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

FBI NEW ORLEANS 9-27-39 1-30 PM ✱(4) WH

DIRECTOR

SAC NEW YORK CITY

CLASSIFIED BY [redacted]
DECLASSIFY ON 25X
4-29-98

WILLIAM RHODES DAVIS ESPIONAGE. SUBJECT DAVIS AND DAVIS AND COMPANY HAD NO DEALINGS WITH FIRST NATIONAL BANK SHREVEPORT LOUISIANA. THIS BANK INQUIRED AS TO STANDING OF SUBJECT AND COMPANY AT REQUEST OF CLIENT WHOSE NAME NOT IN BANK FILES, AND RECEIVED INFORMATION FROM GUARANTY TRUST COMPANY ONE FORTY BROADWAY, NEW YORK CITY, THAT DAVIS AND COMPANY IS HOLDING COMPANY FOR DAVIS WHO IS ACTIVE OIL PROMOTOR. PRINCIPAL ACCOUNTS CARRIED AT BOSTON MASS NAME OF BANK UNKNOWN. COMPANY REPORTED TO HAVE EQUITIES IN INVESTMENTS IN MEXICO, GERMANY AND UNITED STATES AMOUNTING TO APPROXIMATELY TEN MILLION DOLLARS. DAVIS PRESENT WORTH REPORTED TWO MILLION DOLLARS. ✱(4)

SACKETT ✱(4) RECORDED & INDEXED

END

WASHINGTON OK FBI WASH DC CEC

NEW YORK CITY OK FBI NEW YORK CITY ERL

65-1168-82

FEDERAL BUREAU OF INVESTIGATION
SEP 27 1939 ✱(4)
U. S. DEPARTMENT OF JUSTICE

Classified by 2909
Exempt from GDS Category 3
Date of declassification Indefinite
4-6-78

Copy to Mr. Tamm [redacted]

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NW 63226 DocId:34637333
Page 163

SE " S 20 1939

[redacted]

JOACHIM HERTSLET

PRINZHANDJERYSTR 31

BERLIN ZEHLENDORF -GERMANY-

YOUR NLT RECEIVED AFTER DEPARTURE BARON STOP WE UNAWARE MEDIZIN ACCOUNT FRANKUS 21000 DISCUSS WITH BARON POSSIBILITY THIS TRANSFER STOP UNABLE UNDERSTAND YOUR NUMBER REFERENCES REGARDING BIDONS ALSO DISCUS BARON CHRYSANTHEME"

PHOTOSTATS ABOVE MESSAGES TODETHER WITH ADDITIONAL MESSAGES OF APPARENT ROUTINE BUSINESS NATURE BEING FORWARDED SPECDEL

FOXWORTH

END

OK FBI WASHINGTON DC OEC
T
M

[redacted]

[redacted]

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
SEP 28 1939 *(4)
WESTERN UNION

DECODED COPY *(4)

[redacted]

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy
Corson

WH17 55 USGOVT MEXICO CITY SEPT 28 1218P *(4)

DIRECTOR

FEDERAL BUREAU OF INVESTIGATION

DEPARTMENT OF JUSTICE WASHDC

DECLASSIFIED BY SP1CLK/EH
ON 4-6-00

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

RE DAVIS AND OTHER MATTERS MAILED TODAY LETTER POST OFFICE BOX NO. THERE ALSO LETTER VIA DIPLOMATIC POUCH YESTERDAY ADVISE SAN ANTONIO WHEN RECEIVED STOP DAVIS ARRIVED HERE SIXTEENTH AND LEFT HERE FOR NEW YORK SEVENTEENTH WHILE HERE MADE THE FOLLOWING LONG DISTANCE TELEPHONE CALLS TO WASHINGTON MR. LEWIS TELEPHONE METROPOLITAN 0530 JONES POTOMAC 2326 STOP DID NOT USE CABLEGRAM AM CHECKING RADIO COMMUNICATION. *(4)

JONES *(4)

CLASSIFIED BY [redacted]
DECLASSIFY ON: 25X3
4-19-78

Classified by 2909 DAJ/dd
Exempt from GDS Category [redacted]
Date of Declassification Indefinate
4-12-78

RECORDED
[redacted]

65-1168-83
FEDERAL BUREAU OF INVESTIGATION
SEP 28 1939 *(4)
U. S. DEPARTMENT OF JUSTICE

TAMM

Copy to Mr. Tamm.

NW 63226 DocId:34637333
Page 165

Federal Bureau of Investigation

United States Department of Justice

New York, New York

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy
Carson

JBL:FMcV
65-128

September 30, 1939

Director
Federal Bureau of Investigation
Washington, D. C.

Dear Sir:

Re: WILLIAM RHODES DAVIS; ESPIONAGE

Transmitted herewith are photostatic copies of outgoing messages and one incoming message transmitted over the RCA Communications, Inc. by DAVIS AND COMPANY.

This concludes the search of the files of the RCA Communications, Inc. for messages of this character covering the period July 1, 1939, through September 21, 1939.

Very truly yours,

P. E. Foxworth

P. E. FOXWORTH
Special Agent in Charge

Enclosures
SPECIAL DELIVERY

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 4-29-98 BY SP2 glad/tam

RECORDED & INDEXED

65-1168-84

FEDERAL BUREAU OF INVESTIGATION
OCT 1 1939

TAMM

Copy and Specimens Retained in Laboratory
Approved
10-5-39 MJT

NW 63226 DocId:34637333
Page 166

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
SEP 29 1939
TELETYPE

RECODED COPY

FBI NEW YORK CITY 9-29-39 9-30 PM ERL

CONFIDENTIAL

DIRECTOR

WILLIAM RHODES DAVIS ESPIONAGE COMPLETED SEARCH RCA COMMUNICATIONS INC REFLECTS FOLLOWING OUTGOING MESSAGES OF INTEREST

"SEPT 21 1939

W R DAVIS

HOTEL INVERURIE

BERMUDA

GRAF ADVISES ALL PREPARED THERE FOR YOU STOP TELEPHONE HIS PETER LISBON FOR RESERVATIONS IF NOTHING VICTORIA STOP ITALIAN AIRLINE ALSO CONFIRMED ESTERDAY RESERVATION FOR YOU STOP ACCORING TO SCHEDULE WE HAVE HERE PLACE LEAVES LISBON FRIDAY TWO PM

WEHRLE"

"SEPT 19 1939

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

SKANDITANK MALMO-SWEDEN- 28S UNDERSTAND SWEDISH STATE COMMISSION AS WELL AS NORWAY MAKING PURCHASES GASOLINE AND OTHER PRODUCTS HERE STOP CAN YOU ASCERTAIN THEIR REQUIREMENTS ADVISING US AS CAN FURNISH THROUGH SKANDITANK FROM US GULF GUARANTEEING US ORIGIN DAVIS"

RECORDED & INDEXED
65-1168-84

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Exempt from GDS Category 3
Date of Declassification Indefinite
4-12-78

CONFIDENTIAL

Copy in

CLASSIFIED BY 2109 DRJ/kdh
DECLASSIFY ON: 25X 3
4-29-98

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Hendon
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

Carson
Ere

NW 63226 DocId:34637333
Page 167

"[SEPT 20 1939] (4)

[redacted]

PIERCE WATSON

PLAZATENE PARIS -FRANCE-

WR WILL BE HOTEL VICTORIA LISBON THURSDAY SUGGEST YOU TELEGRAPH OR TELEPHONE HIM THERE REGARDING ADVISABILITY YOUR LEAVING FRANCE

DAVCOM"

FIRST FORD SHOULD BE WR REPEAT WR

(4) WR

"[SEPT 20 1939] (4)

PIERCE WATSON

PLAZATENE PARIS -FRANCE-

WR LEFT TODAY FOR ROME VIA CLIPPER ARRANGE MEET HIM THERE GRANDHOTEL BY TWENTYTHIRD IF POSSIBLE

DAVCOM"

(4) X

"[SEPT 20 1939] (4)

HERTSLET

PRINZHANDJERYSTR 31

[redacted]

BERLIN ZEHLENDORF -GERMANY-

DAVIS DEPARTED TODAY ALONE TAKE GOOD CARE OF HIM

CHYSANTHEME"

(4) X

NW 63226 DocId:34637333
Page 168

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

September 20, 1939

MEMORANDUM FOR MR. E. A. TAMM

Time: 6:55 P. M.

SAC McKee called from Pittsburgh, Pennsylvania with reference to your call to him at 6:30 P. M. in which you requested that he make certain inquiries of J. Walter Jones, and Verna F. Wehre or (Wehle). Mr. McKee advised that the Pittsburgh telephone, and city directories had been checked as well as the bankers' directory for the state, and they did not contain either of these names. He requested that I contact you and re-check these names. I advised Mr. McKee that in the event he was not called back within a short time he would know that the names as originally transmitted were correct.

Respectfully,

Galen N. Willis

Galen N. Willis
Supervisor

RECORDED 65-1168-25

FEDERAL BUREAU OF INVESTIGATION
SEP 22 1939
U. S. DEPARTMENT OF JUSTICE

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 11-29-78 BY SP2 ciMc/tm

NW 63226 DocId:34637333
Page 169

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

EPC:ON
65-1168

October 2, 1939

MEMORANDUM FOR MR. LADD.

Re: WILLIAM RHODES DAVIS;
ESPIONAGE.

In a conference between Messrs. Carson, Appel and myself concerning the handling of the 3000 odd telegrams of the Davis Company it was agreed that the following procedure for handling the same was desirable:

A memorandum is now in preparation concerning about 25 more or less vital telegrams of September 1939. These are the telegrams that seem to deal with the international political situation. This memorandum will be kept up to date from now on as a sort of running memorandum and there will be added to it the decoding of any telegrams as they come in from day to day which seem to pertain to the international political situation.

A separate memorandum will be prepared outlining investigative suggestions made by the laboratory which may assist in identifying the code or which may contain other assistance for the field investigators. This memorandum will include reference to certain telegrams which appear to be missing.

The laboratory's survey of the remaining 3000 telegrams would seem to indicate that many of them are of a commercial nature. Some of them are in German, French, Swedish and Spanish. Others are in three or four different commercial codes, all but one of which have been successfully identified in the laboratory. These 3000 odd telegrams will next be arranged in chronological order. Foreign language translations and commercial code translations will be made wherever possible by the laboratory and affixed to the telegrams to which they pertain. The entire file of the 3000 telegrams with appropriate translations will then be turned over to Mr. Carson for maintenance with the investigative file and for his review and study of the business activities of the several Davis companies.

RECORDED 65-1168-86
FEDERAL BUREAU OF INVESTIGATION
OCT 5 1939
U. S. DEPARTMENT OF JUSTICE

Respectfully,

E. P. Coffey.

LADD TAMM TWC

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HEREIN IS UNCLASSIFIED
DATE 4-2-98 BY SP4 alac/tm

NW 63226 DocId:34637333
Page 170

CIVIL AERONAUTICS AUTHORITY

WASHINGTON

OFFICE OF THE CHAIRMAN

October 23, 1939

Mr. Tolson .....
Mr. Nathan .....
Mr. E. A. Tr[illegible]n.....
Mr. C[illegible]g .....
Mr. Ladd .....
Mr. Co[illegible] .....
Mr. E[illegible] .....
Mr. G[illegible] .....
Mr. C[illegible] .....
Mr. [illegible] .....
Mr. [illegible] .....
Mr. [

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

September 20, 1939

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowl
Mr. Harbo
Mr. Lester
Mr. Nease
Mr. Nichols
Mr. Rosen
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

EAT:TEB

Time 5:20 p. m.

MEMORANDUM FOR THE DIRECTOR

I called SAC Foxworth at New York and instructed him to conduct immediately a most discreet and urgent investigation relative to W. R. Davis, who is associated with Davis & Company in New York City. I told him at the time of the publicity relative to the American oil interests in Mexico Davis was named by the newspapers as the individual negotiating for the sale of the oil to the German Government. I told him at that time Davis' telephone numbers were CIrcle 7-2843 and 7-2834.

I instructed Mr. Foxworth to place a tap on Davis' telephones as soon as they are located and also told him to obtain any cablegrams, radiograms or telegrams that Davis has been sending to Mexico City, Washington or Germany. I informed Mr. Foxworth that Davis is allegedly in communication via coded messages with a man named Hertslet in Berlin. I told Mr. Foxworth the means of communication must be ascertained as well as any records which Davis maintains.

Mr. Foxworth was informed that Davis was supposed to have left for Europe on one of the clipper ships this morning and instructed to ascertain if, in fact, he did leave.

I told Mr. Foxworth that associated with Davis in business at one time or another has been a broker in Pittsburgh named J. Walter Jones. I asked Mr. Foxworth to be on the alert for any communications which might have been sent from Davis to Jones and informed him that Pittsburgh would be requested to conduct appropriate investigation relative to Jones. Also associated with Davis in business, I told Mr. Foxworth, has been a woman named Erna F. Wehre, Wihle or Wehrle.

RECORDED COPY FILED IN 62-1168-87

DE-INDEXED
DATE: 4-19-95

RECORDED
&
INDEXED

65 1168-87

FEDERAL BUREAU OF INVESTIGATION
OCT 3 1939
U. S. DEPARTMENT OF JUSTICE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 4-19-95 BY Sp 2 alt/tm

NW 63226 DocId:34637333
Page 172

I repeatedly impressed upon Mr. Foxworth the fact that this matter must be handled immediately and in a discreet and thorough manner and instructed him to call me in the morning as to any developments.

5:50 p. m.

I contacted Mr. Foxworth and told him for his own very confidential information that Davis is allegedly representing the German Government in certain negotiations which have for their purpose the termination of the European war and in which the President is to act as the arbitrator. I told him Davis has shown a copy of a cablegram or radiogram which is addressed to him from Berlin and is signed by Hertslet which proves his connection with the German Government. I told him this information is merely for his guidance and background information. It was made clear to Mr. Foxworth that the President is interested in this matter.

In response to my inquiry Mr. Foxworth stated he did remember the connection between Davis and John L. Lewis. Mr. Foxworth stated an investigation entitled: "William Rhodes Davis; Espionage", was conducted and from a review of the file it appears that this individual is identical with the Davis in question. He stated the file which he has contains quite a bit of background information relative to Davis. I told Mr. Foxworth that John L. Lewis is representing Davis in Washington and told him to be on the alert for any communications which may have been sent from Davis to Lewis.

I told Mr. Foxworth the William Rhodes Davis file would be summarized tonight and reiterated my instructions of haste and discreetness in connection with this matter.

Respectfully,

E. A. TAMM

NW 63226 DocId:34637333
Page 173